Comprehensive Annual Financial Report
For Fiscal Year Ended

September 30, 2019

CITY OF WHITE SETTLEMENT, TEXAS

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2019

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COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED SEPTEMBER 30, 2019

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INTRODUCTORY SECTION

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January 29, 2020

Honorable Mayor, City Council Members and the Citizens of the City of White Settlement:

The Finance Department and City Manager's Office are pleased to submit the Comprehensive Annual Financial Report (CAFR) of the City of White Settlement, Texas (the City) for the fiscal year ended September 30, 2019.

The purpose of this report is to provide the City Council, citizens, investors and other interested parties with detailed information regarding the financial condition and operations of the City. In addition, this report provides assurance that the financial position of the City has been presented fairly as verified by the City's independent auditors.

Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentations, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the City.

Pattillo, Brown & Hill, L.L.C, Certified Public Accountants, have issued an unmodified ("clean") opinion on the City's financial statements for the year ended September 30, 2019. The independent auditor's report is located at the front of the financial section of this report.

Management has provided a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of the Management's Discussion and Analysis (MD&A) located immediately following the independent auditor's report. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it.

Profile of the City of White Settlement

General information

The City of White Settlement, incorporated in 1941, is located in northwest Tarrant County and abuts the west side of the City of Fort Worth. It currently occupies 5.05 square miles and serves a population of 17,896. The City is empowered to levy a property tax on both real and personal property located within its boundaries. The City has no extra-territorial jurisdiction.

The City has operated under the council-manager form of government since 1954. Policy-making and legislative authority are vested in a governing council (City Council) consisting of a Mayor and five Council members, all elected at-large for three-year staggered terms. To be in compliance with Senate Bill 100, cities were encouraged to consider a change to November elections or May elections in odd-years. After exploring the possibilities of changing Council Members terms to two years or four years, the City Council voted to move their election date to November and remain with the three year terms. The City Council appoints the City Manager, City Attorney, Municipal Judge, City Secretary and members of various boards and commissions. The City Manager is responsible for the proper administration of the daily operations of the City.

Services provided

The City provides a full range of municipal services including general government, police, fire, code compliance, municipal court, streets, library, parks and recreation, senior services, animal control, and water and wastewater services. Sanitation services are provided by the City but are privately contracted with IESI, Inc. The White Settlement Crime Control & Prevention District (CCPD) and the White Settlement Economic Development Corporation (EDC, 4B Corporation) are both funded with sales tax revenues. Both entities are discussed more fully in the notes to the financial statements.

Basis of accounting

The City accounts for governmental funds using the modified-accrual basis of accounting, with the revenues being recorded when available and measurable and expenditures being recorded when the services or goods are received and the liabilities are incurred. Proprietary funds are recorded using the full-accrual basis of accounting where revenues are recognized in the accounting period in which they are earned, and expenses are recognized in the period in which they are incurred. Both the governmental activities and business-type activities reported on the government-wide financial statements are reported on the accrual basis.

Internal controls

The City has established a comprehensive internal control framework designed to protect the City's assets from loss, theft, or misuse and to compile reliable information for the preparation of the City's financial statements. The cost of internal controls should not outweigh their benefits; therefore, the City's internal controls have been designed to provide reasonable rather than absolute assurance.

Budget

The annual budget of the City serves as a foundation for its financial planning and control. All departments of the City are required to submit budget requests for appropriation to the Director of Finance in or before June each year. After departmental review by the City Manager, a proposed budget is presented to the City Council by August 1st. The level of legal budgetary control is at the line item level. The City Manager is authorized to make transfers of budgeted amounts up to $5,000 from budget line items (accounts) to other budget line items within a department or between departments within an operating fund. Transfers of budgeted line item amounts of $5,000 or more must be approved by the City Council. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget was adopted.

Economic Outlook and Financial Planning

Local economy

Like many cities, the economic reality of the problems facing White Settlement is related to problems on a global scale. For instance, during the last ten years, an unsettled national economy, the uncertain direction of the global economy, the ongoing war on terrorism, unrest in the Middle East, dynamic fluctuations in energy costs, and unprecedented changes in health care reform have demanded primary consideration in the development of the operating budgets. A major source of revenue during the last ten years has come from oil and gas royalties, permit fees and business expansion resulting in higher property tax and sales tax revenue. A significant decline in these revenue streams has demand austere measures in evaluating expenditures and diligent action in focusing on a more diversified revenue stream through economic development.

The region's transformation into a more highly diversified economy has been aided by a steady migration of people and firms to Texas. Since 2000, the state's average rate of population growth has been almost a full percentage point higher than the U.S. as a whole. Other economic indicators suggest that the state and regional economy will continue to show moderate growth.

The community is adjacent to major business and cultural centers in Fort Worth and Dallas, yet it remains uncongested with property available for development. Interstate 30 makes up the southern border of the City and Interstate Loop 820 the western border which makes the City easily accessible from all areas of the state. The daily inflow of thousands of employees to the huge Lockheed-Martin aircraft assembly plant on the eastern border of the City has helped sales tax revenues keep pace with the property tax revenues. Over the years, White Settlement has grown into a diverse urban community of approximately 17,896 residents. Though surrounded by Fort Worth and other urban developments, it has not lost its small town sense of community and neighborliness. White Settlement's growth and development over the past decade have been built on a strong foundation of overall planning, management, quality of life and policy direction. All in all, the picture of White Settlement is one vital community, facing economic challenges and opportunities of the future with optimism and forethought. In 2009, to encourage developments within the City, the City Council approved an ordinance to add a new zoning classification known as Multi-Use Overlay District (MUOD). In 2013, heavy and light industrial and commercial neighborhood zoning was greatly increased to encourage more commercial development and growth in the primary traffic corridors of the City. The primary purpose of the MUOD is to provide flexibility and compatibility in land uses and regulations that will encourage the development, redevelopment and revitalization of areas suitable for commercial and light industrial uses.

In the last few years, redevelopment efforts along with conservative fiscal policy have shown signs of stabilization and economic revitalization in the City. The 2018-2019 budget gives added emphasis to its efforts of long-term strategic plans developed by City Council and City Management. Data has been included to quantify the strategic plan and its projected effect on future year's operational budgets. These plans provide vision for the future, are helpful in the evaluation of Capital Improvement Projects, and serve to help shape the current budget.

The biggest challenge for the City as a whole is the water park. In 2013-2014, a water park was constructed as a promising project shared with Hawaiian Falls. The City's cost for development, construction and start-up was $12.5 Million, with financing through Economic Development Corporation (EDC) issued bonds. The Debt payments were to be paid by Hawaiian Falls from the proceeds of a 40 year lease where Hawaiian Falls would fully operate and maintain the Park during the lease term. In January of 2016, Hawaiian Falls informed the City that they would not be making the currently due debt service payments, but wished to continue to operate the park. City Council and the Economic Development Board decided to terminate the lease agreement based on breach of contract. The City opened and has operated the Splash Dayz water park since the 2016 season.

The financial impact of the water park is two-fold – operational requirements and debt service requirements. In the 2019-2020 Budget, operational requirements are subsidized by the General Fund in the form of an expected transfer of $452,138, while the debt service is budgeted in the Economic Development Corporation (EDC). Operationally, the park is expected to be self-sustaining in 3-4 years, which will help the General Fund stabilize and rebuild. Debt service payments will continue to be made by the EDC.

Future economic outlook

Historically, the rise in oil and gas drilling has generated income for the City through higher sales tax revenues, tax base valuations, construction and permit revenues and other related activity. Sales Tax revenues experienced a 10.08% increase in 2013-2014, a decrease of 19.13% in 2014-15, a modest 4.4% increase in 2015-16, a decrease of 11.02% in 2016-17, and a large increase of 32.14% in 2017-18. In 2015-16, sales tax revenues were the lowest they have been in ten years and have dropped 14.05% since 2011-2012. Therefore, 2019-2020 sales tax revenues are conservatively projected in the General Fund at $2,200,000. As the oil industry stabilizes and recovers, sales tax revenues could add additional revenues.

2019 taxable property values increased $208,946,643 (25.47%) to $1,029,340,229 from prior year values at $820,393,586. The average taxable value of a residential home in 2019 has increased to $93,094 compared to the average home in 2018 at $76,803. The City continues to take steps in developing areas to attract commercial customers and residents. For the 2019-2020 Budget, the City Council adopted the tax rate of $0.732245 (which was above the effective rate but equal to the rollback rate), and a decrease of 3.93% compared to the prior year at $0.762186 per $100 valuation. The General Fund Ad Valorem tax revenue carries a $6M budget.

Major initiatives

The City's mission is promoting and sustaining a superior quality of life. This mission is accomplished by the following priorities:

- The provision of public safety to our citizens;
- The rehabilitation and replacement of aging infrastructure;
- The improvement and maintenance of the City's park system; and
- The attraction and promotion of commercial business within the City.

Major initiatives included in the 2019-2020 Fiscal Year Budget are discussed below:

Public safety – The budget includes several enhancements for public safety and retains public safety staff training levels. The Crime Control District allocated a $765,371 to the General Fund for police department personnel costs.

Infrastructure – In 2019-2020, the budget includes water and wastewater improvements of $4.2M. The City's Street Improvement overlay program and reconstruction will continue with $5.2M in projects funded by bonds.

Long-term financial planning

Maintaining adequate service levels without significantly increasing the property tax rate has been a significant priority for the City Council. The Tax Rate for 2019-2020 (0.732245) is 3.93% lower than the prior year. The City of White Settlement uses long-term and short-term debt issuance to maintain a tax rate that is as level as possible.

Projects planned for 2019-2020 include street resurfacing and reconstruction, replacement of water and sewer lines, fire department air compressor, and MIS equipment.

In 2000, a street improvement program was implemented with a long-range goal of having funds available to pave streets within the City's jurisdiction on a regular planned basis. The pay-as-you-go funding is provided by a 5% franchise tax imposed upon the City's water and wastewater operations. As of September 30, 2019, approximately $230,000 has been set aside for street improvements.

In March 2006, a Storm Water Utility Fund was created to fund storm water projects and equipment that will help control flooding and storm water drainage problems, water quality improvements and operations and maintenance throughout the City. Projects may include repair of storm water drains, improving maintenance of branches and channels, constructing new drainage systems, maintenance of the Storm Water System and meeting state mandated water quality standards.

The White Settlement Crime Control and Prevention District (CCPD) was created in 1996 and a ½ cent sales tax approved to support it. In May 2010, the CCPD was re-approved for an additional twenty years. This tax has played a significant role in maintaining police salaries at satisfactory levels. These revenues also fund Community Crime Prevention Programs, police personnel training, equipment purchases, and vehicle purchases.

The White Settlement Economic Development Corporation (EDC), a 4B corporation, was established and approved by the voters in 1994. An approved ½ cent sales tax provides approximately one million dollars per year. The EDC fund currently funds the debt service payments for the economic development project that built the water park.

Other Information

Independent audit

The City Charter and Chapter 103 of the Texas Local Government Code require an annual audit of the City's financial statements by an independent certified public accountant.

Bond Rating

The City updated its financial information with Standard & Poor's. In a letter dated 10/31/2016, Standard & Poor's Ratings Services ("Rating Services") notified the City: Based on our review, we have affirmed the underlying rating (SPUR) of AA- while affirming the stable outlook. (See standardandpoors.com for more information.)

Awards and acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of White Settlement for its comprehensive annual financial report for the fiscal year ended September 30, 2018. This was the thirty-second consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, a government has to publish an easily readable and efficiently organized CAFR that satisfies both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

In addition, the City of White Settlement also received the Government Finance Officers Association award for the Distinguished Budget Presentation for the thirtieth consecutive year for its annual budget for the fiscal year beginning October 1, 2017 and ending September 30, 2018. In order to qualify for this award, the government's budget document was judged to be proficient in several categories, including as a policy document, a financial plan, an operations guide, and a communications device.

The preparation of this report would not have been possible without the efficient and dedicated service of the staff of the Finance Department. We wish to express our appreciation to all members of the department who assisted and contributed to the preparation of this report. Credit must also be given to the Mayor and the City Council for their unfailing support for maintaining the highest standards of professionalism in management of the City of White Settlement's finances.

Respectfully submitted,

Jeffrey J. James
City Manager

Krystal Crump
Finance Director

City of White Settlement, Texas

City Council
And Principal Officials

September 30, 2019

Mayor
Ronald White

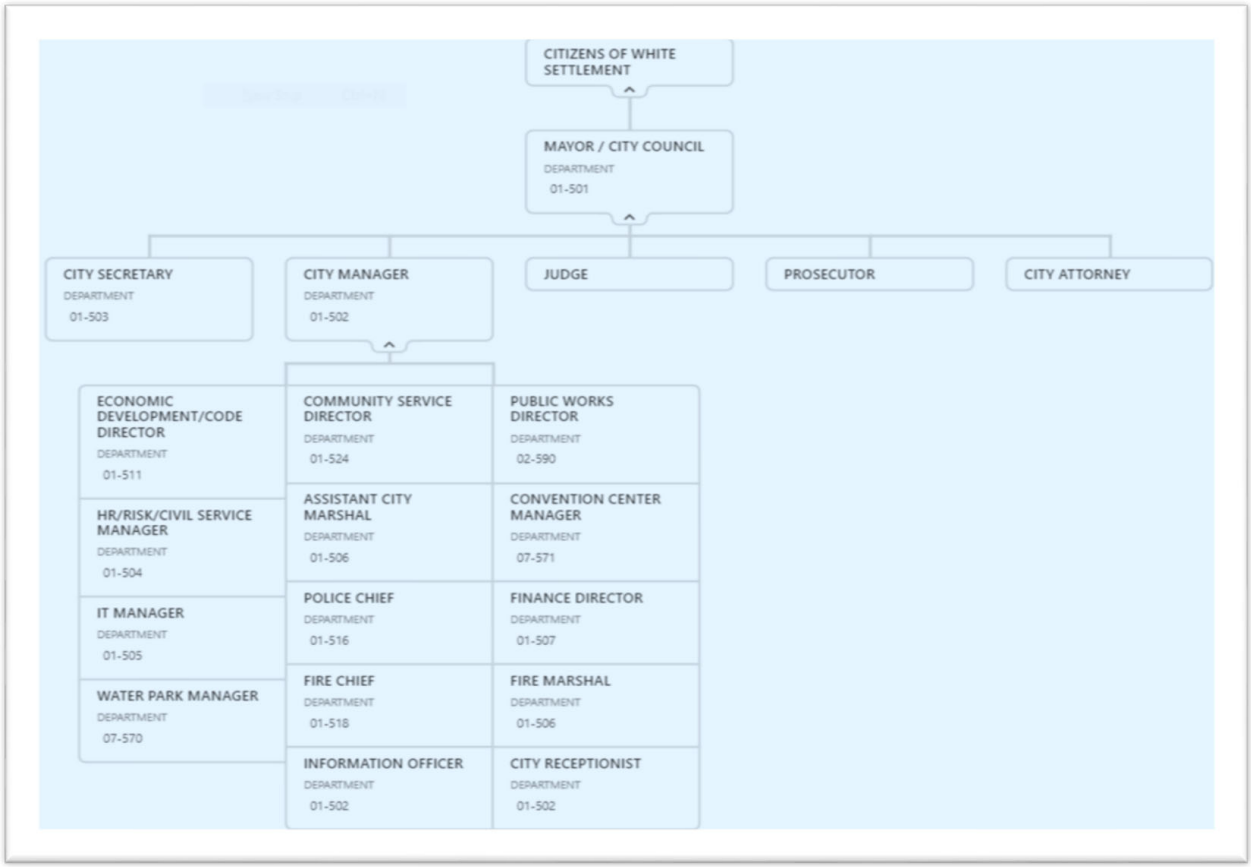
CITY COUNCIL

Paul Moore	Councilmember	Place 1
Evelyn Spurlock	Councilmember	Place 2
Danny Anderson	Mayor Pro-Tem	Place 3
Christina Grudzinski	Councilmember	Place 4
Gregg Geesa	Councilmember	Place 5

CITY STAFF

Jeffrey J. James	City Manager
Rich Tharp	Community Services Director
Krystal Crump	Finance Director
John Bevering	Police Chief
Mark Ball	Fire Chief
Amy Arnold	City Secretary
Drew Larkin	City Attorney

CITY OF WHITE SETTLEMENT
ORGANIZATIONAL CHART



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of White Settlement Texas

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2018

Christopher P. Morrill

Executive Director/CEO

FINANCIAL SECTION

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PB&H

PATTILLO, BROWN & HILL, L.L.P.
401 West State Highway 6
Waco, Texas 76710
254.772.4901 | pbhcpa.com

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor
and Members of City Council
City of White Settlement, Texas

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of White Settlement, Texas ("City"), as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the City's, basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all materials respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of September 30, 2019, and the respective changes in financial position, and, where applicable, cash flows thereof for the year ended in accordance with accounting principles generally accepted in the United States of America.

OFFICE LOCATIONS
TEXAS | Waco | Temple | Hillsboro | Houston
NEW MEXICO | Albuquerque

AICPA GAQC Member

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and pension and OPEB information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 29, 2020, on our consideration of the City's, internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Pattillo, Brown & Hill, L.L.P.

Waco, Texas
January 29, 2020

MANAGEMENT'S DISCUSSION AND ANALYSIS

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Management's Discussion and Analysis

As management of The City of White Settlement, Texas, we offer readers of The City of White Settlement's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2019. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

Financial Highlights

- The assets and deferred outflows of resources of the City of White Settlement exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by $62,646,663 (*net position*) compared to $60,231,138 for the prior year. Of this amount, $20,982,939 (*unrestricted net position*) may be used to meet the City's ongoing obligations to citizens and creditors.

- The City's total net position increased by $2,415,525. The City's operations increased the governmental activities by $1,783,214 and increased the business-type activities by $632,311.

- As of the close of the current fiscal year, the City of White Settlement's governmental funds reported combined ending fund balances of $28,177,921 compared to $24,321,224 for the prior year. $12,212,856 available for spending at the City's discretion (unassigned fund balance).

- At the end of the current fiscal year, unassigned fund balance for the General Fund was $12,212,856, or 115% of total General Fund expenditures.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the City of White Settlement's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the City's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *statement of activities* presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business type activities). The governmental activities of the City include general government, public safety, public works, public health, culture and recreation and economic development. The business-type activities of the City include water and wastewater, sanitation, storm water utility, and Splash Dayz.

The government-wide financial statements include not only the City itself (known as the primary government), but also a legally separate Economic Development Corporation and a legally separate Crime Control and Prevention District for which the City is financially accountable. Although legally separate, they function for all practical purposes as departments of the City, and therefore have been included as an integral part of the primary government. The government-wide financial statements can be found on page 13-16 of this report.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories: governmental funds and proprietary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund and capital projects fund, which are considered major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The basic governmental fund financial statements can be found on page 17-22 of this report.

Proprietary funds. The City maintains one type of proprietary fund. The enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water and wastewater operations, sanitation operations, storm water utility district and Splash Dayz.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water and Wastewater Fund, the Stormwater Utility Fund, and the Splash Dayz Fund, which are considered major funds.

The basic proprietary fund financial statements can be found on pages 23-29 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 30-51 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information that further explains and supports the information in the financial statements. Required supplementary information can be found on pages 52-59 of this report.

The combining and individual nonmajor governmental funds are presented immediately following the required supplementary information. These statements can be found on pages 60-63 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows of resources exceed liabilities and deferred inflows of resources by $62,646,663 as of September 30, 2019.

The largest portion of the City's net position (58%) reflects its investment in capital assets (e.g. land, land improvements, buildings and improvements, machinery and equipment, infrastructure and construction in progress); less any related debt used to acquire those assets that are still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position (8%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position of $20,982,939 may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

Below are summaries of the City's Statement of Net Position and Changes in Net Position.

City of White Settlement's Net Position

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Current and other assets	$ 29,497,389	$ 25,638,936	$ 17,625,191	$ 18,181,634	$ 47,122,580	$ 43,820,570
Capital assets	39,172,079	39,537,800	21,732,376	20,821,347	60,904,455	60,359,147
Total assets	68,669,468	65,176,736	39,357,567	39,002,981	108,027,035	104,179,717
Deferred outflows of resources	2,000,139	925,621	713,941	522,343	2,714,080	1,447,964
Long-term liabilities	38,602,345	34,992,261	6,663,505	6,654,743	45,265,850	41,647,004
Other liabilities	1,170,132	1,242,166	1,327,477	1,291,684	2,497,609	2,533,850
Total liabilities	39,772,477	36,234,427	7,990,982	7,946,427	47,763,459	44,180,854
Deferred inflows of resources	273,633	1,027,647	57,360	188,042	330,993	1,215,689
Net position:						
Net investment in capital assets	18,397,470	17,352,532	18,230,736	15,259,325	36,628,206	32,611,857
Restricted	5,035,518	4,777,104	-	-	5,035,518	4,777,104
Unrestricted	7,190,509	6,710,647	13,792,430	16,131,530	20,982,939	22,842,177
Total net position	$ 30,623,497	$ 28,840,283	$ 32,023,166	$ 31,390,855	$ 62,646,663	$ 60,231,138

City of White Settlement's Changes in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Revenues:						
Program revenues:						
Charges for services	$ 996,886	$ 1,088,010	$ 10,655,031	$ 10,399,586	$ 11,651,917	$ 11,487,596
Operating grants and contributions	89,809	97,170	-	-	89,809	97,170
Capital grants and contributions	5,924	14,000	268,235	452,710	274,159	466,710
General revenues:						
Property taxes	6,530,351	5,581,370	-	-	6,530,351	5,581,370
Sales taxes	4,570,870	5,322,594	-	-	4,570,870	5,322,594
Franchise taxes	1,347,717	1,364,626	-	-	1,347,717	1,364,626
Hotel occupancy taxes	366,994	350,720	-	-	366,994	350,720
Oil and gas revenues	48,871	50,009	-	-	48,871	50,009
Investment earnings	721,055	341,024	372,037	224,344	1,093,092	565,368
Gain (loss) on sale of capital assets	220,500	359,484	11,362	(7,935)	231,862	351,549
Other revenue	106,322	104,246	-	-	106,322	104,246
Total revenues	15,005,299	14,673,253	11,306,665	11,068,705	26,311,964	25,741,958
Expenses:						
General government	2,320,094	1,946,043	-	-	2,320,094	1,946,043
Public safety	6,962,807	6,416,920	-	-	6,962,807	6,416,920
Public works	2,300,499	1,302,154	-	-	2,300,499	1,302,154
Public health	-	197,429	-	-	-	197,429
Economic development	-	142,472	-	-	-	142,472
Culture and recreational	1,750,861	2,504,485	-	-	1,750,861	2,504,485
Interest on long-term debt	1,204,227	1,144,944	-	-	1,204,227	1,144,944
Bond issuance costs	60,284	9,390	-	-	60,284	9,390
Water and wastewater	-	-	6,528,922	5,580,344	6,528,922	5,580,344
Stormwater utility	-	-	696,136	478,834	696,136	478,834
Sanitation	-	-	728,067	710,225	728,067	710,225
Splash Dayz	-	-	1,344,542	1,678,350	1,344,542	1,678,350
Total expenses	14,598,772	13,663,837	9,297,667	8,447,753	23,896,439	22,111,590
Increase (decrease) in net position before transfers	406,527	1,009,416	2,008,998	2,620,952	2,415,525	3,630,368
Transfers	1,376,687	(227,799)	(1,376,687)	227,799	-	-
Increase (decrease) in net position	1,783,214	781,617	632,311	2,848,751	2,415,525	3,630,368
Prior period adjustment	-	(255,216)	-	(32,448)	-	(287,664)
Net position, October 1, restated	28,840,283	28,058,666	31,390,855	28,542,104	60,231,138	56,600,770
Net position, September 30	$ 30,623,497	$ 28,840,283	$ 32,023,166	$ 31,390,855	$ 62,646,663	$ 60,231,138

Governmental Activities. Governmental activities increased the City's net position by $1,783,214 in the current year compared with an increase of $781,617 in the prior year.

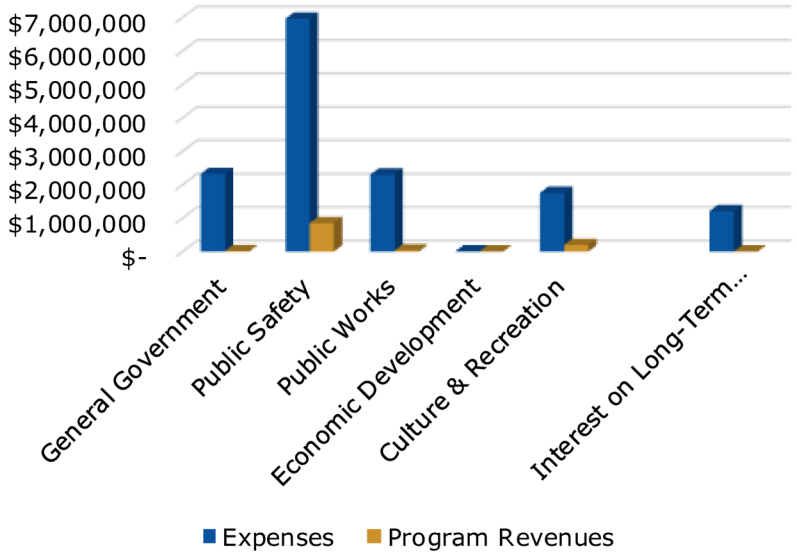
Total governmental activities revenues increased $332,046 (2%) to $15,005,299. Key elements of this change are as follows:

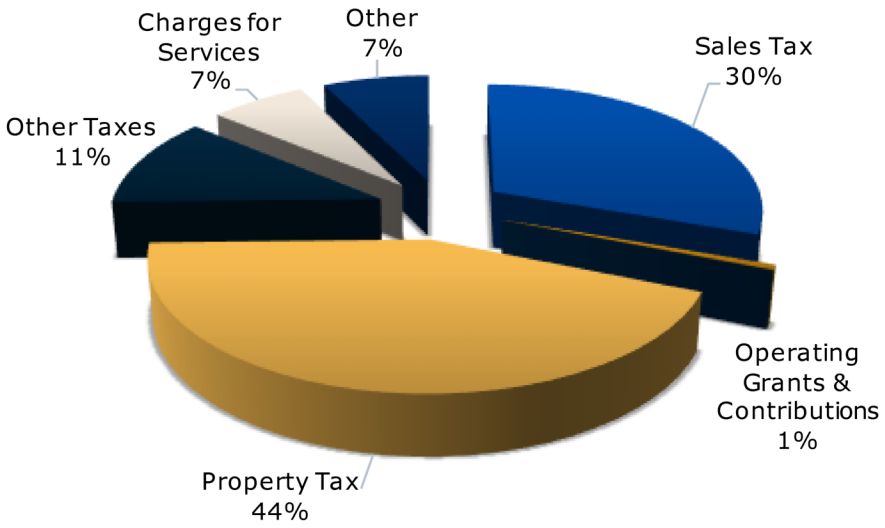
- Charges for services decreased $91,124 primarily due to collecting less municipal court fees in the amount of $106,862.
- Capital grants and contributions decreased $8,076 due to less capital grants in the current year.
- Property taxes increased $948,981 due to an increase in new construction and an increase in appraised property values.
- Sales taxes decreased $751,724 as a result of a large local business' going out of business sale and large one-time revenues in 2017-2018.

Total governmental activities expenses increased $934,935 (7%) to $14,598,772. Key changes are as follows.

- TMRS pension expense increased from $915,693 to $1,289,473 primarily due to salary increases.
- General government expenses increased $374,051 (19%) primarily due to an increase in legal expenditures.
- Public safety expenses increased $545,887 (9%) primarily due to an increase in fire department salaries and related expenses of $390,936 due to added paid positions, purchase of city marshal vehicle of $45,075, increase in costs to CCPD for one officer of $94,840 and an increase in police vehicle purchases of $41,877.
- Public works expenses increased $998,345 (77%) primarily due to an increase in sewer treatment costs to Fort Worth.
- Economic development expenses decreased $142,472 (100%) primarily due to no economic development projects in current year.
- Culture and recreation expenses decreased $753,624 (30%) primarily due to a decrease in operational costs of the water park.

Below are two graphs summarizing governmental revenue and expense:





Business-type activities. Business-type activities increased the City's net position by $632,311 in the current year compared to an increase in net position of $2,848,751 in the prior year.

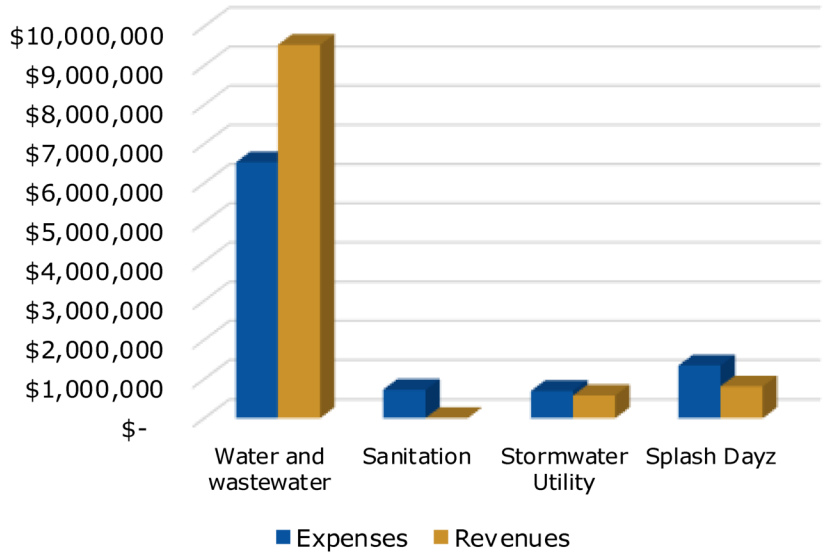
Total revenues increased $237,960 (2%) to $11,306,665. Key elements of these changes are as follows.

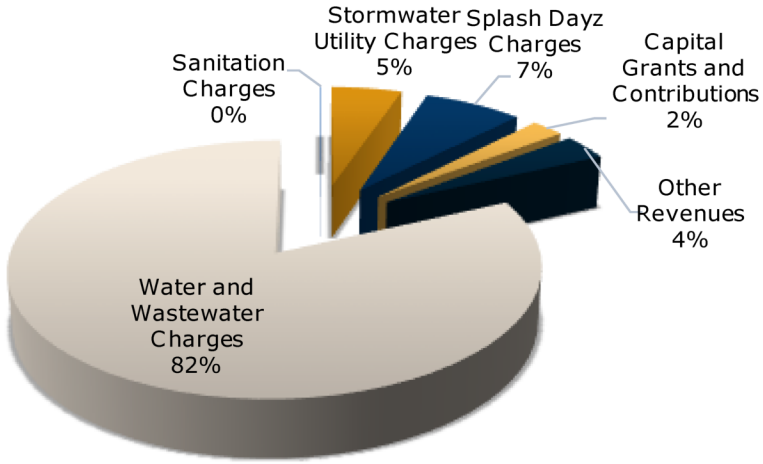
- Charges for services increased $255,445 (2%) primarily due to an increase in wastewater revenue of $229,335 resulting from water and wastewater rate increases effective 10/15/18 and an increase in consumption.
- Capital grants and contributions decreased $184,475 due to a decrease in developer contributions in the current year.

Total expenses increased $849,914 (10%) to $9,297,667. Key elements of these changes are as follows.

- Water and wastewater expenses increased $992,795 primarily due to an increase in sewer treatment costs to the City of Fort Worth.
- Stormwater utility expense increased $217,302 primarily due an increase in temporary labor costs and MS4 permit consulting costs as well as a one-time stormwater rate study.
- Splash Dayz expenses decreased $333,808 primarily due to a decrease in personnel costs and operational costs.

Below are two graphs summarizing business-type activities revenue and expense:




Stormwater Utility Charges 5%
Splash Dayz Charges 7%
Sanitation Charges 0%
Capital Grants and Contributions 2%
Other Revenues 4%
Water and Wastewater Charges 82%

Financial Analysis of the City's Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

Governmental funds. The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At year end, the City's governmental funds reported combined ending fund balances of $28,177,921. $12,212,856 (43%) constitutes unassigned fund balance, which is available for spending at the government's discretion. The remainder of fund balance is non-spendable, restricted, committed or assigned to indicate that it is not available for new spending because it has already been restricted or committed for projects and debt service.

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the General Fund was $12,212,856. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents $1 of the total General Fund expenditures. Fund balance of the General Fund increased $852,179 compared to an increase of $1,184,835 in the prior year. Key factors in this increase are as follows:

- Revenues increased $380,912. Property taxes increased $711,032 due to a rate increase and an increase in appraisal values. Sales tax decreased $376,859 due to the going out of business sale of one of the major stores and large one time revenues in 2017-2018.

- Total expenditures increased $481,375. General government expenditures increased $328,865 due to $84,000 land purchase, $20,658 vehicle purchase, ticketwriter implementation, GIS implementation and moving investment advisor costs. Public safety expenditures increased $358,972 primarily because fire department positions were added. Culture and recreation expenditures decreased $72,443 due to decrease in personnel costs for library and seniors.

- Other financing sources decreased $232,193 from the prior year primarily due to an decrease in net transfers of $239,825.

The White Settlement Economic Development Corporation (the "EDC") was created to stimulate economic growth for the City of White Settlement. It is funded with a .5% sales tax. Fund balance of the EDC increased $160,032 to $2,646,288. Revenues decreased $113,553 primarily because sales tax decrease due to the going out of business sale of a major store and large one-time revenues in 2017-2018. Expenditures decreased $134,568 primarily due to the movement of culture and recreation expenditures to the general fund.

Proprietary funds. The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

The City's Water and Wastewater Fund, Stormwater Utility Fund and Splash Dayz Fund are enterprise funds that comprise the City's proprietary funds. Unrestricted net position of the Water and Wastewater Fund, Stormwater Utility Fund and Splash Dayz Fund at the end of the year amounted to $10,932,651, $2,840,813 and $18,966 respectively. The total change in net position for the three funds was $693,263, -$184,603) and $123,651, respectively. Other factors concerning the finances of these funds have already been addressed in the discussion of the City's business-type activities.

General Fund Budgetary Highlights

The budget was amended once during the year. Expenditures were increased $97,375.

During the year, actual revenues were $429,512 greater than budgeted due to conservative budget numbers for sales taxes based on past trends and an increase in interest rates. Actual expenditures were $391,210 lower than budget due to several positions that were open throughout the year as well as several positions that were not filled after vacated.

Capital Assets

The City's investment in capital assets for its governmental and business type activities as of September 30, 2019, amounts to $60,904,455 (net of accumulated depreciation). This investment in capital assets includes land, buildings, water and wastewater systems, land improvements, machinery and equipment, vehicles, roads, highways and bridges.

Major capital asset events during the current fiscal year included the following:

Governmental Activities:

- $193,552 for vehicles.
- $84,000 for land.
- $115,098 for a fire vehicle and equipment.
- $106,816 for comprehensive plan.
- $98,602 for library, rec, and parks improvements and equipment.
- $1,349,368 for improvements on various streets.

Business-type activities:

- $1,202,944 for water and wastewater improvements.
- $85,416 for vehicles.

City of White Settlement's Capital Assets
(Net of Accumulated Depreciation)

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Land	$ 6,167,435	$ 6,133,435	$ 201,139	$ 195,139	$ 6,368,574	$ 6,328,574
Construction in progress	221,096	222,497	1,832,033	809,649	2,053,129	1,032,146
Land improvements	6,402,327	6,797,150	28,663	30,031	6,430,990	6,827,181
Buildings and improvements	4,805,025	4,962,030	288,229	132,230	5,093,254	5,094,260
Machinery and eqiupment	6,158,769	6,871,530	698,280	777,649	6,857,049	7,649,179
Infrastructure	15,417,427	14,551,158	-	-	15,417,427	14,551,158
Water and sewer systems	-	-	17,004,607	17,137,055	17,004,607	17,137,055
Stormwater systems	-	-	1,679,425	1,739,594	1,679,425	1,739,594
Total	$ 39,172,079	$ 39,537,800	$ 21,732,376	$ 20,821,347	$ 60,904,455	$ 60,359,147

Additional information on the City's capital assets can be found in the notes to the financial statements, pages 33, 39-40.

Long-Term Debt

At year-end the City had $35,121,518 in debt outstanding, an increase of $1,249,721 from the prior year. $18,021,034 are General Obligation Bonds that are backed by the full faith and credit of the City, $6,023,137 are Certificates of Obligation secured by surplus revenues of the Water and Wastewater Fund and ad valorem taxes, and $10,845,000 are Sales Tax Revenue Bonds. Capital leases were added in during the year.

City of White Settlement's Outstanding Debt

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Sales Tax Revenue Bonds	$ 10,845,000	$ 11,320,000	$ -	$ -	$ 10,845,000	$ 11,320,000
General Obligation Bonds	13,070,234	6,690,086	4,950,800	5,182,022	18,021,034	11,872,108
Certificates of Obligation	6,023,137	10,299,689	-	380,000	6,023,137	10,679,689
Capital Leases	172,386	-	59,961	-	232,347	-
Total	$ 30,110,757	$ 28,309,775	$ 5,010,761	$ 5,562,022	$ 35,121,518	$ 33,871,797

The City's outstanding debt continues to have favorable ratings. The ratings are as follows:

	Moody's Investor Service	Standard & Poor's
General Obligation Refunding Bonds, Series 2011	A1	AA
Combination Tax and Revenue Certificates of Obligation, Series 2015		AA-
General Obligation Refunding Bonds, Series 2015		AA-
General Obligation Refunding Bonds, Series 2016		AA-
Combination Tax and Revenue Certificates of Obligation, Series 2018		AA-

More detailed information about the City's debt can be found in the notes to the financial statements, pages 40-43.

Economic factors and the Next Year's Budgets and Rates

Two major sources of revenue come from ad valorem tax revenue and sales tax revenue. Overall operating revenues are projected to increase slightly across all funds. City management and council took a conservative approach to budget planning.

Ad Valorem Tax

2019 taxable property values increased $208,946,643 (25.47%) to $1,029,340,229 from prior year values at $820,393,586. The average taxable value of a residential home in 2019 has increased to $93,094 compared to the average home in 2018 at $76,803. The City continues to take steps in developing areas to attract commercial customers and residents. For the 2019-2020 Budget, the City Council adopted the tax rate of $0.732245 (which was above the effective rate but equal to the rollback rate), and a decrease of 3.93% compared to the prior year at $0.762186 per $100 valuation. The General Fund Ad Valorem tax revenue carries a $6M budget.

Sales Tax

Historically, sales tax revenues have risen or decreased in response to oil and gas drilling. Therefore, 2019-2020 sales tax revenues are conservatively projected in the General Fund at $2,200,000. As the oil industry stabilizes and recovers, sales tax could add additional sales tax revenues.

Budget

The 2019-2020 adopted budget has a 4% step raise for all sworn officers as well as market raises for full-time firefighters. City Council and City Management believe it is important that the City continue to offer competitive salary and benefits in order to hire and retain quality employees. Health, dental, and life insurance coverage continue to be provided at no cost for full-time employees. As in the past, the City will continue health insurance coverage for full-time employees and dependents may be added at the expense of the employee.

Debt

The City of White Settlement uses long-term and short-term debt issuance to maintain a tax rate that is as level as possible. In 2018-2019, the City issued an additional $3.025M in debt to fund street projects associated with water and sewer line replacements. The City has no plans to issue additional debt but plans on spending all current bond funds on hand.

Capital

Projects planned for 2019-2020 include street resurfacing and reconstruction, replacement of water and sewer lines, fire department air compressor, and MIS equipment.

Looking Forward

In the last few years, redevelopment efforts along with conservative fiscal policy have shown signs of stabilization and economic revitalization in the City. The 2019-2020 budget gives added emphasis to its efforts of long-term strategic plans developed by City Council and City Management. Data has been included to quantify the strategic plan and its projected effect on future year's operational budgets. These plans provide vision for the future, are helpful in the evaluation of Capital Improvement Projects, and serve to help shape the current budget.

The biggest challenge for the City as a whole is the water park. In 2013-2014, a water park was constructed as a promising economic project with Hawaiian Falls. The City's cost for development, construction and start-up was $12.5 Million, with financing through Economic Development Corporation (EDC) issued bonds. The Debt payments were to be paid through lease payments from Hawaiian Falls. In January, 2016, the Hawaiian Falls informed the City that they would again not make the currently due debt service payments, but wished to continue to operate the park. City Council and the Economic Development Board decided to terminate the lease agreement based on breach of contract. A budget amendment was authorized by City Council and the City opened and operated Splash Dayz water.

The financial impact of the water park is two-fold - operational requirements and debt service requirements. In the 2019-2020 Budget, operational requirements continue to be subsidized by the General Fund in the form of a $452k transfer while the debt service is budgeted in the Economic Development Corporation (EDC). Operationally, the park is expected to be self-sustaining in 3-4 years which will help the General Fund stabilize and rebuild. Debt service payments will continue to be made by the EDC.

City Management and Council are working together in concentrating on goals, plans and objectives that work toward the future financial stability of the City. The dedication of staff and support of the City Council are critical for an effective allocation of resources. Working together in an efficient and effective manner, City Management and Council are dedicated to improving the delivery of services and quality of life for the citizens of White Settlement.

Request for Information

The financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Finance Department, 214 Meadow Park Drive, White Settlement, Texas 76108.

BASIC
FINANCIAL STATEMENTS

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CITY OF WHITE SETTLEMENT, TEXAS

STATEMENT OF NET POSITION

SEPTEMBER 30, 2019

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and investments	$ 27,997,097	$ 15,832,888	$ 43,829,985
Receivables (net of allowance for uncollectibles):			
Property taxes	195,479	-	195,479
Franchise taxes	237,741	-	237,741
Accounts	-	1,116,271	1,116,271
Miscellaneous	174,576	-	174,576
Due from other governments	804,561	-	804,561
Prepaid items	87,935	-	87,935
Inventories	-	3,858	3,858
Restricted assets:			
Cash and investments	-	672,174	672,174
Capital assets:			
Nondepreciable	6,388,531	2,033,172	8,421,703
Depreciable, net of accumulated depreciation	32,783,548	19,699,204	52,482,752
Total capital assets	39,172,079	21,732,376	60,904,455
Total assets	68,669,468	39,357,567	108,027,035
DEFERRED OUTFLOWS OF RESOURCES			
Deferred charge on refunding	181,240	332,648	513,888
Deferred outflow related to pensions	1,800,526	377,442	2,177,968
Deferred outflow related to OPEB	18,373	3,851	22,224
Total deferred outflows of resources	2,000,139	713,941	2,714,080

The notes to the financial statements are an integral part of this statement.

CITY OF WHITE SETTLEMENT, TEXAS

STATEMENT OF NET POSITION

SEPTEMBER 30, 2019

	Governmental Activities	Business-type Activities	Total
LIABILITIES			
Accounts payable	$ 590,489	$ 568,401	$ 1,158,890
Accrued liabilities	307,687	66,167	373,854
Customer deposits	2,450	-	2,450
Payable from restricted assets:			
Interest payable	269,506	18,131	287,637
Customer deposits	-	674,778	674,778
Noncurrent liabilities:			
Due within one year:			
Long-term debt	1,672,272	601,657	2,273,929
Due in more than one year:			
Long-term debt	29,451,938	4,494,217	33,946,155
Net pension liability	7,198,675	1,509,048	8,707,723
Total OPEB liability	279,460	58,583	338,043
Total liabilities	39,772,477	7,990,982	47,763,459
DEFERRED INFLOWS OF RESOURCES			
Deferred inflow related to pensions	257,204	53,917	311,121
Deferred inflow related to OPEB	16,429	3,443	19,872
Total deferred inflows of resources	273,633	57,360	330,993
NET POSITION			
Net investment in capital assets	18,397,470	18,230,736	36,628,206
Restricted for:			
Debt service	124,844	-	124,844
Police and court	1,082,641	-	1,082,641
Tourism, library and senior services	1,181,745	-	1,181,745
Economic Development	2,646,288	-	2,646,288
Unrestricted	7,190,509	13,792,430	20,982,939
Total net position	$ 30,623,497	$ 32,023,166	$ 62,646,663

The notes to the financial statements are an integral part of this statement.

CITY OF WHITE SETTLEMENT, TEXAS

STATEMENT OF ACTIVITES

FOR THE YEAR ENDED SEPTEMBER 30, 2019

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Governmental activities:				
General government	$ 2,320,094	$ 10,431	$ -	$ -
Public safety	6,962,807	789,509	61,459	-
Public works	2,300,499	-	28,350	5,924
Cultural and recreation	1,750,861	196,946	-	-
Interest on long-term debt	1,204,227	-	-	-
Bond issuance costs	60,284	-	-	-
Total governmental activities	14,598,772	996,886	89,809	5,924
Business-type activities:				
Water and wastewater	6,528,922	9,258,118	-	268,235
Sanitation	728,067	5,678	-	-
Stormwater utility	696,136	579,294	-	-
Splash Dayz	1,344,542	811,941	-	-
Total business-type activities	9,297,667	10,655,031	-	268,235
Total primary government	$ 23,896,439	$ 11,651,917	$ 89,809	$ 274,159

General revenues:
  Taxes:
    Property taxes, levied for general purposes
    Property taxes, levied for debt service
    Sales and use
    Franchise
    Hotel occupancy tax
  Oil and gas royalties
  Investment earnings
  Gain on sale of capital assets
  Other revenue
Transfers
  Total general revenues and transfers

Change in net position

Net position, beginning

Net position, ending

The notes to the financial statements are an integral part of the statement.

Net (Expense) Revenue and Changes in Net Position		
Primary Government		
Governmental Activities	Business-type Activities	Total
$(2,309,663)	$ -	$(2,309,663)
(6,111,839)	-	(6,111,839)
(2,266,225)	-	(2,266,225)
(1,553,915)	-	(1,553,915)
(1,204,227)	-	(1,204,227)
(60,284)	-	(60,284)
(13,506,153)	-	(13,506,153)
-	2,997,431	2,997,431
-	(722,389)	(722,389)
-	(116,842)	(116,842)
-	(532,601)	(532,601)
-	1,625,599	1,625,599
(13,506,153)	1,625,599	(11,880,554)
5,249,142	-	5,249,142
1,281,209	-	1,281,209
4,570,870	-	4,570,870
1,347,717	-	1,347,717
366,994	-	366,994
48,871	-	48,871
721,055	372,037	1,093,092
220,500	11,362	231,862
106,322	-	106,322
1,376,687	(1,376,687)	-
15,289,367	(993,288)	14,296,079
1,783,214	632,311	2,415,525
28,840,283	31,390,855	60,231,138
$ 30,623,497	$ 32,023,166	$ 62,646,663

CITY OF WHITE SETTLEMENT, TEXAS

BALANCE SHEET
GOVERNMENTAL FUNDS

SEPTEMBER 30, 2019

	General	Capital Projects Fund
ASSETS		
Cash and investments	$ 12,828,049	$ 9,271,996
Receivables (net of allowance for uncollectibles):		
Property taxes	156,703	-
Franchise taxes	219,404	-
Miscellaneous	88,644	-
Due from other governments	427,128	-
Prepaids	87,935	-
Total assets	13,807,863	9,271,996
LIABILITIES		
Accounts payable	377,084	117,088
Accrued liabilities	307,687	-
Customer deposits	2,450	-
Total liabilities	687,221	117,088
DEFERRED INFLOWS OF RESOURCES		
Unavailable property tax revenue	156,703	-
Other unavailable revenue	223,363	-
Total deferred inflows of resources	380,066	-
FUND BALANCES		
Nonspendable		
Prepaids	87,935	-
Restricted		
Debt service	-	-
Construction	-	9,154,908
Police and court	-	-
Tourism, library and senior services	-	-
Economic Development	-	-
Committed		
Street improvement	-	-
Assigned		
Pride commission	15,429	-
Subsequent year budget deficit	424,356	-
Unassigned	12,212,856	-
Total fund balances	12,740,576	9,154,908
Total liabilities, deferred inflows of resources, and fund balances	$ 13,807,863	$ 9,271,996

The accompanying notes are an integral part of these financial statements.

Debt Service Fund	Other Governmental	Total Governmental Funds
$ 355,574	$ 5,541,478	$ 27,997,097
38,776	-	195,479
-	18,337	237,741
-	85,932	174,576
-	377,433	804,561
-	-	87,935
394,350	6,023,180	29,497,389
-	96,317	590,489
-	-	307,687
-	-	2,450
-	96,317	900,626
38,776	-	195,479
-	-	223,363
38,776	-	418,842
-	-	87,935
355,574	-	355,574
-	-	9,154,908
-	1,082,641	1,082,641
-	1,181,745	1,181,745
-	2,646,288	2,646,288
-	1,016,189	1,016,189
-	-	15,429
-	-	424,356
-	-	12,212,856
355,574	5,926,863	28,177,921
$ 394,350	$ 6,023,180	$ 29,497,389

RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION

SEPTEMBER 30, 2019

Total fund balances - governmental funds balance sheet	$ 28,177,921
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds.	39,172,079
Uncollectible revenues are reported as unavailable resources in the governmental funds balance sheet, but are recognized as a revenue in the statement of activities	
Property taxes	195,479
Court fines	66,188
Franchise fees	156,881
Charges for services	294
Long-term liabilities, including bonds payable, notes payable, compensated absences, OPEB liabilities and net pension liability are not due and payable in the current period and therefore are not reported in the governmental funds balance sheet	
Bonds payable	(18,175,000)
Tax notes	(10,845,000)
Capital leases	(172,386)
Deferred charge on refunding	181,240
Issuance premium	(918,371)
Compensated absences	(1,013,453)
Net pension liability	(7,198,675)
Deferred inflows of resources - pension related	(257,204)
Deferred outflows of resources - pension related	1,800,526
Total OPEB liability	(279,460)
Deferred inflows of resources - OPEB related	(16,429)
Deferred outflows of resources - OPEB related	18,373
Interest payable on long-term debt in the City's governmental activities is not payable from current resources and therefore is not reported in the governmental funds balance sheet.	(269,506)
Net position of governmental activities - statement of net position	$ 30,623,497

The accompanying notes are an integral part of these financial statements.

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CITY OF WHITE SETTLEMENT, TEXAS

STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2019

	General	Capital Projects Fund
REVENUES		
Taxes:		
Property	$ 5,187,925	$ -
Sales and use	2,327,301	-
Franchise	956,520	-
Hotel occupancy	-	-
Fines and forfeitures	302,695	-
Licenses and permits	412,687	-
Intergovernmental	28,350	-
Charges for services	268,969	-
Investment earnings	312,506	206,074
Miscellaneous	90,811	9,797
Total revenues	9,887,764	215,871
EXPENDITURES		
Current:		
General government	2,156,367	-
Public safety	6,254,453	-
Public works	679,576	-
Cultural and recreation	1,514,394	-
Capital outlay	-	1,691,838
Debt service:		
Principal	-	-
Interest and fiscal charges	-	-
Debt issuance costs	-	-
Total expenditures	10,604,790	1,691,838
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(717,026)	(1,475,967)
OTHER FINANCING SOURCES (USES)		
Issuance of bonds	-	-
Premium on issuance of debt	-	-
Proceeds from capital lease	65,733	-
Proceeds from sale of capital assets	270,500	-
Transfers in	1,583,300	5,709,309
Transfers out	(350,328)	(1,202,944)
Total other financing sources and uses	1,569,205	4,506,365
NET CHANGE IN FUND BALANCES	852,179	3,030,398
FUND BALANCES, BEGINNING	11,888,397	6,124,510
FUND BALANCES, ENDING	$ 12,740,576	$ 9,154,908

The accompanying notes are an integral part of these financial statements.

Debt Service Fund	Other Governmental	Total Governmental Funds
$ 1,266,364	$ -	$ 6,454,289
-	2,243,569	4,570,870
-	392,226	1,348,746
-	366,994	366,994
-	-	302,695
-	-	412,687
-	61,459	89,809
-	-	268,969
53,679	148,796	721,055
-	64,938	165,546
1,320,043	3,277,982	14,701,660
-	-	2,156,367
-	519,005	6,773,458
-	-	679,576
-	98,046	1,612,440
-	161,148	1,852,986
895,000	475,000	1,370,000
697,996	556,143	1,254,139
60,284	-	60,284
1,653,280	1,809,342	15,759,250
(333,237)	1,468,640	(1,057,590)
2,995,000	-	2,995,000
87,343	-	87,343
-	119,024	184,757
-	-	270,500
370,042	108	7,662,759
(3,025,000)	(1,707,800)	(6,286,072)
427,385	(1,588,668)	4,914,287
94,148	(120,028)	3,856,697
261,426	6,046,891	24,321,224
$ 355,574	$ 5,926,863	$ 28,177,921

CITY OF WHITE SETTLEMENT, TEXAS

RECONCILIATION OF STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IS FUND BALANCE OF
THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED SEPTEMBER 30, 2019

Net change in fund balances - total governmental funds:	$ 3,856,697
Amounts reported for governmental activities in the Statement of Activities are different	
Governmental funds report capital outlays as expenditures. However, in the governmental activities statement of activities, the cost and accumulated depreciation of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	
Capital outlay	2,172,879
Depreciation expense	(2,494,600)
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net position.	(44,000)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	
Property taxes	76,062
Court fines	2,182
Franchise fees	(1,029)
Charges for services	(76)
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also governmental funds report the premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	
Bond issuance	(2,995,000)
Premium on bond issuance	(87,343)
Payment on bonds	895,000
Payments on tax notes	475,000
Capital lease financing	(184,757)
Payments on capital leases	12,371
Amortization of deferred charge on refunding bonds	(30,486)
Amortization of premium on bond issuance	83,747
Some expenses reported in the governmental activities statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	
Compensated absences	32,259
Accrued interest	(3,349)
Net pension liability	30,385
Total OPEB liability	(12,728)
Change in net position of governmental activities	$ 1,783,214

The accompanying notes are an integral part of these financial statements.

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CITY OF WHITE SETTLEMENT, TEXAS

STATEMENT OF NET POSITION
PROPRIETARY FUNDS

SEPTEMBER 30, 2019

	Business-type Activities - Enterprise Funds			
	Water and Wastewater	Stormwater Utility	Splash Dayz	Total
ASSETS				
Current assets				
Cash and cash equivalents	$ 12,534,418	$ 3,056,981	$ 241,489	$ 15,832,888
Receivables:				
Accounts, net of allowances for uncollectible accounts	1,054,409	61,862	-	1,116,271
Supplies inventory	-	-	3,858	3,858
Restricted assets:				
Cash and cash equivalents	672,174	-	-	672,174
Total current assets	14,261,001	3,118,843	245,347	17,625,191
Noncurrent assets				
Capital assets				
Land	164,144	36,995	-	201,139
Construction in progress	1,567,932	264,101	-	1,832,033
Buildings and improvements	163,755	-	169,649	333,404
Land improvements	38,484	-	29,221	67,705
Waterworks and wastewater system	28,734,402	-	-	28,734,402
Stormwater systems	-	2,063,177	-	2,063,177
Machinery and equipment	1,442,823	294,538	766,094	2,503,455
Less: accumulated depreciation	(13,032,737)	(546,056)	(424,146)	(14,002,939)
Total noncurrent assets	19,078,803	2,112,755	540,818	21,732,376
Total assets	33,339,804	5,231,598	786,165	39,357,567
DEFERRED OUTFLOWS OF RESOURCES				
Deferred charge on refunding	332,648	-	-	332,648
Deferred outflow related to pensions	264,841	65,557	47,044	377,442
Deferred outflow related to OPEBs	2,702	669	480	3,851
Total deferred outflows of resources	600,191	66,226	47,524	713,941

The accompanying notes are an integral part of these financial statements.

CITY OF WHITE SETTLEMENT, TEXAS

STATEMENT OF NET POSITION
PROPRIETARY FUNDS

SEPTEMBER 30, 2019

	Business-type Activities - Enterprise Funds			
	Water and Wastewater	Stormwater Utility	Splash Dayz	Total
LIABILITIES				
Current liabilities (payable from current assets):				
Accounts payable	$ 492,321	$ 22,788	$ 53,292	$ 568,401
Accrued liabilities	45,861	11,793	8,513	66,167
Current portion of long-term liabilities	588,286	8,439	4,932	601,657
Current liabilities (payable from restricted assets):				
Interest payable	18,131	-	-	18,131
Customer deposits payable	672,174	-	2,604	674,778
Total current liabilities	1,816,773	43,020	69,341	1,929,134
Noncurrent liabilities				
Bonds payable	4,395,900	-	-	4,395,900
Compensated absences	27,115	18,996	2,026	48,137
Capital leases	50,180	-	-	50,180
Net pension liability	1,058,859	262,102	188,087	1,509,048
Total OPEB liability	41,106	10,175	7,302	58,583
Total noncurrent liabilities	5,573,160	291,273	197,415	6,061,848
Total liabilities	7,389,933	334,293	266,756	7,990,982
DEFERRED INFLOWS OF RESOURCES				
Deferred inflow related to pensions	37,832	9,365	6,720	53,917
Deferred inflow related to OPEB	2,416	598	429	3,443
Total deferred inflows of resources	40,248	9,963	7,149	57,360
NET POSITION				
Net investment in capital assets	15,577,163	2,112,755	540,818	18,230,736
Unrestricted	10,932,651	2,840,813	18,966	13,792,430
Total net position	$ 26,509,814	$ 4,953,568	$ 559,784	$ 32,023,166

The accompanying notes are an integral part of these financial statements.

CITY OF WHITE SETTLEMENT, TEXAS

STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Business-type Activities - Enterprise Funds			
	Water and Wastewater	Stormwater Utility	Splash Dayz	Total
OPERATING REVENUES				
Charges for sales and services	$ 9,263,796	$ 579,294	$ 811,941	$ 10,655,031
Total operating revenues	9,263,796	579,294	811,941	10,655,031
OPERATING EXPENSES				
Utility billing	372,010	-	-	372,010
Water production and distribution	2,038,649	-	-	2,038,649
Wastewater collection and treatment	2,152,311	-	-	2,152,311
Stormwater utility	-	609,616	-	609,616
Sanitation	728,067	-	-	728,067
Splash Dayz	-	-	1,195,236	1,195,236
Administrative personnel	412,900	-	-	412,900
Administrative materials	30,944	-	-	30,944
Administrative contract services	141,011	-	-	141,011
Depreciation	716,410	86,520	149,306	952,236
Meter technician	528,019	-	-	528,019
Total operating expenses	7,120,321	696,136	1,344,542	9,160,999
OPERATING INCOME (LOSS)	2,143,475	(116,842)	(532,601)	1,494,032
NONOPERATING REVENUES (EXPENSES)				
Gain on disposal of capital assets	11,362	-	-	11,362
Investment earnings	294,526	77,511	-	372,037
Interest expense	(136,668)	-	-	(136,668)
Total nonoperating revenues (expenses)	169,220	77,511	-	246,731
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	2,312,695	(39,331)	(532,601)	1,740,763
Capital contributions	268,235	-	-	268,235
Transfers in	1,202,944	-	656,252	1,859,196
Transfers out	(3,090,611)	(145,272)	-	(3,235,883)
CHANGE IN NET POSITION	693,263	(184,603)	123,651	632,311
NET POSITION, BEGINNING	25,816,551	5,138,171	436,133	31,390,855
NET POSITION, ENDING	$ 26,509,814	$ 4,953,568	$ 559,784	$ 32,023,166

The accompanying notes are an integral part of these financial statements.

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CITY OF WHITE SETTLEMENT, TEXAS

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Business-type Activities - Enterprise Funds	
	Water and Wastewater	Stormwater Utility
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers	$ 9,282,236	$ 579,464
Cash paid to employees	(1,216,243)	(217,879)
Cash paid to suppliers and service providers	(5,138,336)	(234,598)
Net cash provided (used) by operating activities	2,927,657	126,987
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Transfers from other funds	1,202,944	-
Transfers to other funds	(3,090,611)	(145,272)
Net cash provided (used) by noncapital financing activities	(1,887,667)	(145,272)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Principal payments on long-term debt	(551,162)	-
Capital contributions for debt service	268,235	-
Acquisition and construction of capital assets	(1,457,240)	(253,101)
Interest paid on bonds	(104,227)	-
Proceeds from disposal of capital assets	11,362	-
Net cash used by capital and related financing activities	(1,833,032)	(253,101)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	294,526	77,511
Net cash provided (used) by investing activities	294,526	77,511
NET INCREASE (DECREASE) IN CASH	(498,516)	(193,875)
CASH AND CASH EQUIVALENTS, BEGINNING	13,705,108	3,250,856
CASH AND CASH EQUIVALENTS, ENDING	$ 13,206,592	$ 3,056,981
RECONCILIATION OF TOTAL CASH AND CASH EQUIVALENTS		
Current assets - cash and cash equivalents	$ 12,534,418	$ 3,056,981
Restricted assets - cash and cash equivalents	672,174	-
Total cash and cash equivalents	$ 13,206,592	$ 3,056,981

The accompanying notes are an integral part of these financial statements.

Business-type Activities - Enterprise Funds	
Splash Dayz	Total
$ 813,895	$ 10,675,595
(738,170)	(2,172,292)
(464,714)	(5,837,648)
(388,989)	2,665,655
656,252	1,859,196
-	(3,235,883)
656,252	(1,376,687)
-	(551,162)
-	268,235
(152,924)	(1,863,265)
-	(104,227)
-	11,362
(152,924)	(2,239,057)
-	372,037
-	372,037
114,339	(578,052)
127,150	17,083,114
$ 241,489	$ 16,505,062
$ 241,489	$ 15,832,888
-	672,174
$ 241,489	$ 16,505,062

CITY OF WHITE SETTLEMENT, TEXAS

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Business-type Activities - Enterprise Funds	
	Water and Wastewater	Stormwater Utility
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating income (loss)	$ 2,143,475	$(116,842)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:		
Depreciation	716,410	86,520
(Increase) decrease in accounts receivable	(21,214)	170
(Increase) decrease in supplies inventory	-	-
Increase (decrease) in accounts payable	(47,354)	9,248
Increase (decrease) in accrued liabilities	14,717	6,235
Increase (decrease) in customer deposits	39,654	-
Increase (decrease) in compensated absences	20,432	2,669
Increase (decrease) in net pension liability	57,272	132,705
Increase (decrease) in total OPEB liability	4,265	6,282
Net cash provided (used) by operating activities	$ 2,927,657	$ 126,987

The accompanying notes are an integral part of these financial statements.

Business-type Activities - Enterprise Funds	
Splash Dayz	Total
$(532,601)	$ 1,494,032
149,306	952,236
-	(21,044)
(565)	(565)
13,945	(24,161)
(31)	20,921
1,954	41,608
646	23,747
(20,812)	169,165
(831)	9,716
$(388,989)	$ 2,665,655

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The City of White Settlement, Texas (the City) was incorporated under the laws of the State of Texas in 1941. The City is governed by an elected mayor and five-member council. The City provides the following services: public safety, streets, parks and recreation, library, water and wastewater, sanitation, planning and zoning, building inspection, code enforcement, and general administrative services.

As required by generally accepted accounting principles, these financial statements have been prepared based on considerations regarding the potential for inclusion of other entities, organizations, or functions as part of the City's financial reporting entity. Based on these considerations, the White Settlement Economic Development Corporation and the White Settlement Crime Control and Prevention District have been included in the City's reporting entity as component units. Additionally, as the City is considered a primary government for financial reporting purposes, its activities are not considered a part of any other governmental or other type of reporting entity.

Consideration regarding the potential for inclusion of other entities, organizations, or functions in the City's financial reporting entity is based on criteria presented by generally accepted accounting principles. These same criteria are evaluated in considering whether the City is a part of any other governmental or other type of reporting entity. The overriding elements associated with prescribed criteria considered in determining that the City's financial reporting entity status is that of a primary government are that it has a separately elected governing body; it is legally separate; and it is financially independent of other state and local governments. Additional prescribed criteria under generally accepted accounting principles include considerations pertaining to organizations for which the primary government is financially accountable; and considerations pertaining to other organizations for which the nature and significance of their relationship with the primary government are such that inclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Blended Component Units

The White Settlement Economic Development Corporation (a nonprofit development corporation formed under the Development Corporation Act of 1979, Texas Rev. Civil Statute) was incorporated June 28, 1994. The Corporation's services are provided to stimulate economic growth for the City. A board of seven directors appointed by the City Council governs the Corporation. The purpose of the Corporation is to develop, implement, provide and finance projects allowed under the Development Corporation Act. Operation of the Corporation is funded by one-half percent sales tax approved by the voters. The City is the sole beneficiary of the EDC and will receive the remaining assets and assume the remaining liabilities upon termination. The Economic Development Corporation is presented as a special revenue fund. Separate unaudited financial statements may be obtained at the City's administrative office.

The White Settlement Crime Control and Prevention District (the "Crime District") is an entity legally separate from the City and was created by resolution of the City Council with approval by vote of the residents of White Settlement. The Crime District is governed by a seven-member board appointed by the City Council. The City Council approves the budget of the Crime District. The day-to-day operations of the Crime District are performed by City employees. For financial reporting purposes, the Crime Control and Prevention District is reported as if it were a part of the City's operations because its primary purpose is to support the crime prevention and enforcement activities of the General Fund. The Crime District makes transfers to the General Fund of the City for police salaries. In addition, the Crime District pays for ammunition, uniforms, tools and equipment, equipment and building repairs, travel, training and automobiles for the White Settlement police department. The services provided to others are insignificant to the overall activities of the Crime District. The Crime Control and Prevention District is presented as a special revenue fund. Separate unaudited financial statements may be obtained at the City's administrative office.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting and Basis of Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The government considers all revenues available if they are collected within 60 days after year-end. Expenditures generally are recorded when the related fund liability is incurred, however, debt service expenditures and expenditures related to compensated absences and claims and judgments, are recognized when payment is due.

Property taxes, sales and use taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when the government receives payment.

The accounts of the City are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds are maintained consistent with legal and managerial requirements.

The City reports the following major governmental funds:

The *General Fund* is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *Capital Projects Fund* is used to account for construction of major capital projects not being financed by the proprietary funds.

The City reports the following major proprietary funds:

The W*ater and Wastewater Fund* accounts for the provision of sanitation, water and wastewater services to the residents of the City. All activities necessary to provide such services are accounted for in this fund.

The S*tormwater Utility Fund* is used to account for the maintenance of the drainage system for the City.

The *Splash Dayz Fund* is used to account for the maintenance and operations of the water park owned by the City.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges and transfers between the governmental activities and the business-type activities, which cannot be eliminated.

Amounts reported as program revenues include 1) charges for customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise funds are charges to customers for sales and services. Operating expenses for the enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance

1. *Cash and Investments*

The City pools cash resources of its various funds to facilitate the management of cash. Cash applicable to a particular fund is readily identifiable.

The City's cash and cash equivalents are considered to be cash on hand, demand deposits and short term investments that are highly liquid with maturity within three months or less when purchased. Assets reported as cash and investments are considered cash and cash equivalents for the statement of cash flows.

2. *Receivables and Payables*

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds". Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as "internal balances".

All trade and property tax receivables are shown net of an allowance for uncollectibles. Trade accounts receivable aged +2 months comprises the trade accounts receivable allowance for uncollectible accounts. The property tax receivable and municipal court allowances are equal to accounts over 5 years old and 85% respectively of the outstanding balances at September 30, 2019.

3. Unbilled Service

Utility operating revenues (water, wastewater, storm water and refuse collection) are billed on monthly cycles. The City records estimated revenues for services delivered during the fiscal year, which will be billed during the next fiscal year.

4. *Inventory*

The inventories of supplies are valued at cost using the first-in-first-out ("FIFO") method. Inventory in the governmental funds are accounted for using the consumption method.

5. Prepaid Expenses

Payments made for services that will benefit periods beyond September 30, 2019, are recorded as prepaid expenses in both the government-wide and fund financial statements. Prepaid expenses in the governmental funds are accounted for using the purchases method.

6. *Capital Assets*

Capital assets, which include property, plant, equipment and infrastructure, are reported in the applicable governmental activities or business-type activities columns in the government-wide financial statements and in the proprietary funds financial statements. The City defines capital assets as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of one year. Such assets are recorded at cost or estimated historical cost if purchased or constructed. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities and proprietary funds is included as part of the capitalized value of the assets constructed. The total interest expense incurred by the Water and Wastewater Fund during the current fiscal year was $141,723. Of this amount $0 was included as part of the cost of capital assets under construction in connection with water and wastewater construction projects.

Property, plant and equipment of the primary government and component unit are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Land improvements	20-30
Buildings	10-40
Water and wastewater system	20-50
Machinery and equipment	3-10
Vehicles	3-10
Infrastructure	20-50

7. *Compensated Absences*

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. After completing one full year of service, employees are eligible to be reimbursed an amount equal to 40 hours of sick pay (calculated at their then-current rate of pay), less the number of sick pay hours claimed during the preceding 12-month period. Otherwise, the City's policy is that upon separation from service, only civil service employees will receive payment for unused sick pay benefits. All vacation pay and civil service employees' sick leave benefits are accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

8. *Long-term Obligations*

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statements of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective rate of interest. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as they are incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuances cost, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the Fiduciary Net Position of the Texas Municipal Retirement System (TMRS) and additions to/deductions from TMRS's Fiduciary Net Position have been determined on the same basis as they are reported by TMRS. For this purpose, plan contributions are recognized in the period that compensation is reported by the employee, which is when contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Other Post-Employment Benefits

The City participates in the Texas Municipal Retirement System Supplemental Death Benefit Fund (TMRS SDBF), which is an optional single-employer defined benefit life insurance plan that is administered by TMRS. It provides death benefits to active and, if elected, retired employees of participating employers. Contribution rates are determined annually for each participating municipality as a percentage of that City's covered payroll. The death benefit for retirees is considered an other post-employment benefit (OPEB). The OPEB program is an unfunded trust because the SDBF trust covers both actives and retirees and is not segregated. The Total OPEB Liability of the plan has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes for purposes of measuring the Total OPEB Liability, deferred inflows and outflows of resources, and OPEB expense. Benefit payments are recognized when due and payable in accordance with the benefit terms.

9. *Fund Balance - Governmental Funds*

In the fund financial statements, governmental funds report the following classifications of fund balance:

Nonspendable - includes amounts that cannot be spent because they are either not spendable in form (such as prepaids or inventory) or are legally or contractually required to be maintained intact (such as endowment funds).

Restricted - includes amounts restricted by external sources (creditors, laws of other governments, etc.) or by constitutional provision or enabling legislation.

Committed - includes amounts constrained to specific purposes by a government itself, using its highest decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint (City Council ordinance).

Assigned - includes amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority. The City Council has delegated the authority to assign fund balance to the City Manager by resolution.

Unassigned - All amounts not included in other spendable classifications. The General Fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds, it is not appropriate to report a positive unassigned fund balance amount. However, in governmental funds other than the General Fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the City considers restricted fund balance to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the City considers amounts to have been first spent out of committed funds, then assigned, and finally unassigned as needed.

The City Council adopted a minimum fund balance policy for the General Fund. The policy requires the City strive to maintain a yearly unassigned fund balance in the General Fund of 144 days of annual budgeted expenditures. At the end of the year, the unassigned fund balance of $12,212,856 was $7,920,756 above the minimum fund balance requirement of $4,292,100.

10. *Net Position*

Net position represents the difference between assets and liabilities. Net position net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvements of those assets, and adding back unspent proceeds. Net position is reported as restricted when there are limitations imposed its use either through the enabling legislations adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

11. *Use of Estimates*

The preparation of financial statements, in conformity with Generally Accepted Accounting Principles, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual amounts could differ from those estimates.

II. DEPOSITS AND INVESTMENTS

Substantially all operating cash and investments are maintained in consolidated cash and investment accounts. Investment income relating to consolidated investments is allocated to the individual funds monthly based on the funds' pro-rata share of total cash and investments.

The City's investment policy authorizes the City to invest in obligations of the United States and its agencies; direct obligations of the State of Texas and agencies thereof; other obligations, the principal and interest on which are unconditionally guaranteed by the State of Texas and United States; obligations of the states, agencies, counties, cities and other political subdivisions of any state having been rated as investment quality by a nationally recognized investment rating firm, and having received a rating of not less than "A" or its equivalent; secured certificates of deposit of state and national banks domiciled in Texas; fully collateralized direct repurchase agreements with a defined termination date secured by obligations of the United States or its agencies; and joint pools of political subdivisions in the State of Texas. Investments are stated at fair value except for short-term highly liquid investments which are stated at cost or amortized cost. During the year, the City did not own any types of securities other than those permitted by statute.

The City invests idle funds in the Texas Local Government Investment Pool (TexPool). TexPool is a local government investment pool organized under the authority of the Interlocal Cooperation Act Chapter 791, Texas Government Code, and the Public Funds Investment Act, Chapter 2256, Texas Government Code. All investments of the Pool are stated at amortized cost, which in most cases approximates the market value of the securities. The objective of TexPool is to maintain a stable $1.00 net asset value; however, the $1.00 net asset value is not guaranteed or insured by the State of Texas.

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The City's funds are required to be deposited and invested under the terms of a depository contract. The City's deposits are required to be collateralized with securities held by the pledging institution's trust department or agent in the City's name. The pledge of approved securities is waived only to the extent of the depository bank's dollar amount of Federal Deposit

Insurance Corporation ("FDIC") Insurance. At September 30, 2019, the City's deposits were covered by FDIC Insurance or collateralized with securities held by the bank's agent in the City's name.

Credit Risk- Investments

The City controls credit risk by limiting its investments to those instruments allowed by its investment policy.

Interest Rate Risk - Investments

In accordance with its investment policy, the City manages its exposure to declines in fair market values by limiting the final stated maturity of any investment to three years and the average maturity of the City's operating funds to one year. As of September 30, 2019, all of the City's investments were invested for a period not exceeding three years and the average maturity of operating funds was less than one year.

The City's investments at September 30, 2019 included the following:

Investment	Credit Rating	Weighted Average Maturity	Percentage of Total Investments	Carrying Value
Investment in TexPool	AAAm	38 days	100%	$ 1,665
Total investments				$ 1,665

Cash and cash equivalents restricted in the enterprise funds are $672,174 for customer deposits.

III. PROPERTY TAX

The City's property tax is levied (assessed) each October 1, on the value listed as of the prior January 1, for all real property and personal property located in the City. Such assessed value for 2018 was computed based on 100% of appraised value.

Beginning with the 1982 levy, the appraisal property within the City became the responsibility of a countrywide appraisal district as required by legislation passed by the Texas Legislature. The appraisal district is required under such legislation to assess all property within the appraisal district on the basis of 100% of its appraised value and is prohibited from applying any assessment ratios. The value of property within the appraisal district must be reviewed every five years; however, the government may, at its own expense require annual reviews of appraised values.

The government may challenge appraised values established by the appraisal district through various appeals and, if necessary, legal action.

General property taxes are limited by the government's Home Rule Charter to $1.50 per $100 of assessed valuation. The combined tax rate to finance general governmental service and debt service for the period ended September 30, 2019, was $0.762186 per $100 of assessed valuation.

Taxes are billed and due on October 1 of each year. The last date for payment without penalty is the following January 31. Delinquent penalties are added on February 1 with additional attorney fees being added on July 1. Lien attaches to properties on the January 1 following levy date. Tarrant County bills and collects the general property taxes for the City. During the fiscal year, the City collected approximately 98% of the 2018 tax levy.

In the governmental funds the City's property tax revenues are recognized when levied to the extent that they result in current receivables available for financing current operations. The remaining receivables are reflected in deferred revenue.

IV. RECEIVABLES

Receivables as of year-end for the City's major and nonmajor funds, including the applicable allowances for uncollectible accounts are as follows:

	General	Debt Service	Nonmajor Governmental	Water and Wastewater	Stormwater Utility
Receivables:					
Property taxes	$ 322,166	$ 91,535	$ -	$ -	$ -
Franchise taxes	219,404	-	18,337	-	-
Occupancy tax	-	-	85,932	-	-
Water and wastewater	-	-	-	667,274	-
Stormwater utility	-	-	-	-	39,922
Earned and unbilled services	-	-	-	408,062	23,536
Miscellaneous	463,708	-	-	-	-
Gross receivables	1,005,278	91,535	104,269	1,075,336	63,458
Less: allowance for uncollectibles	(540,527)	(52,759)	-	(20,927)	(1,596)
Net total receivables	$ 464,751	$ 38,776	$ 104,269	$ 1,054,409	$ 61,862

V. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period(s) and this, will not be recognized as an outflow of resources (expense/expenditure) until then. The City has three items that qualify in this category, deferred charges on refunding bonds, deferred outflows relating to pensions, and deferred outflows relating to OPEB reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of the refunded debt and its reacquisition price. The amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of financial position and governmental funds balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as in inflow of resource (revenue) until that time. The City has two types of items in this category, unavailable revenues for governmental funds and deferred inflows related to pensions in the government-wide statement of net position and proprietary funds statements. At the end of the fiscal year, the various components of *unavailable revenue* and *unearned revenue* reported in the governmental funds were as follows:

Property taxes receivable (General Fund)	$	156,703
Franchise tax receivable		157,175
Court fees receivable		66,188
Property taxes receivable (Debt Service Fund)		38,776
Total deferred inflows of resources for governmental funds	$	418,842

VI. INTERFUND TRANSFERS

The composition of interfund transfers for the City's individual major funds and nonmajor funds at September 30, 2019 is as follows:

Transfer In	Transfer Out	Amount	Purpose
General	Other Governmental	$ 875,234	Administrative costs
	Water & Wastewater	562,794	Administrative costs
	Stormwater Utility	145,272	Administrative costs
Capital Projects	Debt Service	3,025,000	Bond proceeds
	Other Governmental	376,534	Debt service
	Water & Wastewater	2,307,775	Capital projects
Debt Service	Other Governmental	150,000	Debt service
	Water & Wastewater	220,042	Debt service
Other Governmental	General	108	Administrative costs
Total Governmental Funds Transfers In		$ 7,662,759	
Water and Wastewater	Capital Projects	$ 1,202,944	Capital assets
Splash Dayz	General Fund	350,220	Transfer water park
	Other Governmental	306,032	Convention center remodel
Total Enterprise Funds Transfers In		$ 1,859,196	

VII. CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2019 was as follows:

	Beginning Balance	Additions	Deletion	Transfers	Ending Balance
Governmental activities:					
Capital assets, not being depreciated:					
Land	$ 6,133,435	$ 84,000	$(50,000)	$ -	$ 6,167,435
Construction in progress	222,497	1,349,368	-	(1,350,769)	221,096
Total assets not being depreciat	6,355,932	1,433,368	(50,000)	(1,350,769)	6,388,531
Capital assets, being depreciated:					
Land improvements	11,678,227	161,363	-	-	11,839,590
Building and improvements	9,473,072	90,924	-	22,375	9,586,371
Machinery and equipment	13,152,147	332,076	-	(7,943)	13,476,280
Infrastructure	22,599,179	161,148	-	1,350,769	24,111,096
Total capital assets being depreciated	56,902,625	745,511	-	1,365,201	59,013,337
Less accumulated depreciation:					
Land improvements	(4,881,077)	(556,186)	-	-	(5,437,263)
Building and improvements	(4,511,042)	(270,304)	-	-	(4,781,346)
Machinery and equipment	(6,280,617)	(1,022,462)	-	(14,432)	(7,317,511)
Infrastructure	(8,048,021)	(645,648)	-	-	(8,693,669)
Total accumulated depreciation	(23,720,757)	(2,494,600)	-	(14,432)	(26,229,789)
Total capital assets being depreciated, net	33,181,868	(1,749,089)	-	1,350,769	32,783,548
Governmental activities capital assets, net	$ 39,537,800	$(315,721)	$(50,000)	$ -	$ 39,172,079

	Beginning Balance	Additions	Deletions	Transfers	Ending Balance
Business-type activities:					
Capital assets, not being depreciated:					
Land	$ 195,139	$ 6,000	$ -	$ -	$ 201,139
Construction in progress	809,649	1,527,365	-	(504,981)	1,832,033
Total assets not being depreciated	1,004,788	1,533,365	-	(504,981)	2,033,172
Capital assets, being depreciated:					
Land improvements	67,705	-	-	-	67,705
Building and improvements	168,774	164,630	-	-	333,404
Machinery and equipment	2,347,363	170,524	-	(14,432)	2,503,455
Water and w astew ater systems	28,229,421	-	-	504,981	28,734,402
Stormw ater systems	2,063,177	-	-	-	2,063,177
Total capital assets being depreciated	32,876,440	335,154	-	490,549	33,702,143
Less accumulated depreciation:					
Land improvements	(37,674)	(1,368)	-	-	(39,042)
Building and improvements	(36,544)	(8,631)	-	-	(45,175)
Machinery and equipment	(1,569,714)	(235,461)	-	-	(1,805,175)
Water and w astew ater systems	(11,092,366)	(651,861)	-	14,432	(11,729,795)
Stormw ater systems	(323,583)	(60,169)	-	-	(383,752)
Total accumulated depreciation	(13,059,881)	(957,490)	-	14,432	(14,002,939)
Total capital assets being depreciated, net	19,816,559	(622,336)	-	504,981	19,699,204
Business-type activities capital assets, net	$ 20,821,347	$ 911,029	$ -	$ -	$ 21,732,376

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
General government	$ 171,713
Public safety	282,236
Public works	1,897,239
Cultural and recreational	143,412
Total depreciation expense - governmental activities	$ 2,494,600
Business-type activities:	
Water and wastewater	$ 716,410
Stormwater utility	86,520
Splash Dayz	154,560
Total depreciation expense - business-type activities	$ 957,490

VIII. LONG-TERM LIABILITIES

A. Bonds Payable

The City issues General Obligation Bonds to provide funds for the acquisition and construction of major capital facilities. General Obligation Bonds are direct obligations and pledge the full faith and credit of the government. All of the City's General Obligation bonds and Contractual Obligation-Private Placement are direct obligations of the City, payable from a continuing ad valorem tax levied on all taxable property within the City, within the limits prescribed by law. The City's Certificates of Obligation issues are direct obligations of the City, payable from a combination of (i) an annual ad valorem tax levied, within the limits prescribed by law, on all taxable property within the City, and (ii) a limited pledge (not to exceed $1,000) of the surplus net revenues of the City's Water and Wastewater System. General Obligation Bonds, Certificates of Obligation Bonds, and Certificates of Obligation-Private Placement outstanding are as follows:

Purpose	Date Issued	Maturity Date	Interest Rate	Original Principal	Amount Outstanding
General government	05/01/09	02/15/29	2.5 - 4.625%	$ 6,150,000	$ -
General government	06/01/15	02/15/35	2.0 - 5.0%	9,540,000	9,070,000
Governmental refunding	06/01/15	02/15/25	2.0 - 3.0%	2,980,000	1,985,000
General government	09/10/15	02/15/28	3.07%	710,000	520,000
Governmental refunding	12/13/16	02/15/29	2.0 - 4.0%	3,815,000	3,700,000
General government	10/01/18	02/15/38	2.0 - 5.0%	2,995,000	2,900,000

The annual debt service requirements to maturity for General Obligation Bonds and Certificates of Obligation Bonds outstanding as of September 30, 2019, are as follows:

	Governmental Activities					
	General Obligation			Certificates of Obligation		
Fiscal Year	Principal	Interest	Total	Principal	Interest	Total
2020	$ 635,000	$ 167,350	$ 802,350	$ 215,000	$ 525,716	$ 740,716
2021	650,000	152,925	802,925	220,000	515,828	735,828
2022	665,000	136,575	801,575	225,000	505,616	730,616
2023	680,000	118,100	798,100	245,000	494,828	739,828
2024	705,000	97,325	802,325	250,000	483,464	733,464
2025-2028	2,350,000	208,775	2,558,775	3,010,000	2,133,433	5,143,433
2030-2034	-	-	-	4,560,000	1,038,411	5,598,411
2035-2039	-	-	-	3,245,000	206,169	3,451,169
	$ 5,685,000	$ 881,050	$ 6,566,050	$ 11,970,000	$ 5,903,465	$ 17,873,465

The annual debt service requirements to maturity for Certificates of Obligation-Private Placement outstanding as of September 30, 2019, are as follows:

Fiscal Year	Private Placement Certificates of Obligation Principal	Interest	Total
2020	50,000	15,197	$ 65,197
2021	55,000	13,584	68,584
2022	55,000	11,896	66,896
2023	55,000	10,208	65,208
2024	55,000	8,520	63,520
2025-2028	250,000	15,656	265,656
	$ 520,000	$ 75,061	$ 595,061

The Economic Development Corporation issued Sales Tax Revenue Bonds for the purpose of constructing a water park. Sales Tax Revenue Bonds outstanding are as follows:

Purpose	Date Issued	Maturity Date	Interest Rate	Original Principal	Amount Outstanding
Water park	11/12/13	12/01/33	2.93%	$ 12,600,000	$ 10,845,000

Economic Development Corporation bond debt service requirements to maturity are as follows:

Fiscal Year	Economic Development Corporation Principal	Interest	Total
2020	$ 495,000	$ 531,995	$ 1,026,995
2021	525,000	506,392	1,031,392
2022	550,000	479,410	1,029,410
2023	580,000	451,047	1,031,047
2024	610,000	421,178	1,031,178
2025-2028	3,535,000	1,603,263	5,138,263
2030-2034	4,550,000	594,118	5,144,118
	$ 10,845,000	$ 4,587,403	$ 15,432,403

The net proceeds were used to purchase U.S. government securities. Those securities were deposited into an irrevocable trust with an escrow agent to provide for future debt service payments on the refunded General Obligation Bonds and Certificates of Obligation. As a result, the refundable General Obligation Bonds and Certificates of Obligation are considered to be defeased, and the related liability for the General Obligation Bonds and Certificates of Obligation have been removed from the City's liabilities. At September 30, 2019, no bonds were considered defeased and outstanding.

The City's Water and Wastewater Fund also issues bonds where the City pledges income derived from the acquired or constructed assets to pay debt service. Water and Wastewater Fund bonds outstanding are as follows:

Purpose	Date Issued	Maturity Date	Interest Rate	Original Principal	Amount Outstanding
Water and wastewater	05/01/09	02/15/29	2.5 - 4.625%	$ 8,000,000	$ -
Enterprise refunding	07/15/11	02/15/21	2.0 - 3.0%	1,705,000	380,000
Enterprise refunding	12/13/16	02/15/29	2.0 - 4.0%	4,330,000	4,215,000

April 8, 2010 the City of White Settlement and City of Fort Worth entered into an agreement where the City of Fort Worth agreed to pay 51.46% of the cost of the Farmers Branch Wastewater Interceptor Project. The City of White Settlement issued 2009 Certificates of Obligation to fund the project and partially refunded them with the 2016 General Obligation Refunding Bonds. The City of Fort Worth agreed to pay 51.46% of the annual debt service requirements beginning in 2010 through maturity in 2029. The amount received from the City of Fort Worth was $267,714 and was reported as a capital contribution in the Water and Wastewater Fund.

Water and Wastewater Fund bond debt service requirements to maturity are as follows:

	Business-type Activities		
Fiscal Year	Principal	Interest	Total
2020	$ 555,000	$ 138,575	$ 693,575
2021	575,000	125,375	700,375
2022	385,000	114,800	499,800
2023	395,000	105,025	500,025
2024	410,000	92,950	502,950
2025-2028	2,275,000	232,600	2,507,600
	$ 4,595,000	$ 809,325	$ 5,404,325

The various bond ordinances contain a number of limitations and restrictions. Management believes the City is in compliance with all significant limitation and restrictions at September 30, 2019.

B. Capital Leases Payable

The City has acquired certain capital assets for governmental and business-type activities through the use of lease purchase agreements. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception date. The City's direct borrowings (capital leases) related to governmental and business-type activities are secured with equipment as collateral.

Capital leases payable is comprised of the following issue at September 30, 2019

Governmental activities

$184,757 Capital Lease for the purchase of five vehicles. Three of the vehicles are stictely for Crime District purposes. Payments are made monthly at $3,541 through 2025, interest at 5.21% - 6.21%	$ 172,386

Business-Type activities

$60,368 Capital Lease for the purchase of two vehicles for Water and Wastewater. Payments are made monthly at $1,060 through 2025, interest at 5.34%	$ 59,961

The assets acquired through capital leases are as follows:

	Governmental Activities	Business-Type Activities	Total
Assets:			
Machinery and Equipment	$ 184,757	$ 60,368	$ 245,125
Less: accumulated depreciation	(12,383)	(407)	(12,790)
Total	$ 172,374	$ 59,961	$ 232,335

The future minimum lease obligation and the net present value of these minimum lease payments as of September 30, 2019, were as follows:

Fiscal Year	Governmental Activities	Business-Type Activities	Total
2020	39,876	11,762	51,638
2021	39,877	11,762	51,639
2022	39,876	11,762	51,638
2023	39,876	11,762	51,638
2024	27,801	11,272	39,073
2025	13,073	11,470	24,543
Total minimum lease payable	200,379	69,790	270,169
Less: amounts representing interest	(27,993)	(9,829)	(37,822)
Present value of minimum lease payments	$ 172,386	$ 59,961	$ 232,347

C. Changes in Long-term Liabilities

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bonds and Certificates of Obligations:					
Certificates of obligation	$ 9,265,000	$ 2,995,000	$ 225,000	$ 12,035,000	$ 215,000
Certificates of obligation-private placement	505,000	-	50,000	455,000	50,000
General obligation bonds	6,305,000	-	620,000	5,685,000	635,000
Sales tax revenue bonds	11,320,000	-	475,000	10,845,000	495,000
Issuance premium	914,775	87,343	83,747	918,371	-
Total bonds payable	28,309,775	3,082,343	1,453,747	29,938,371	1,395,000
Capital leases	-	184,757	12,371	172,386	33,845
Compensated absences	1,045,712	440,210	472,469	1,013,453	243,427

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Business-type activities:					
Bonds payable:					
Certificates of obligation	$ 380,000	$ -	$ 380,000	$ -	$ -
General obligation bonds	4,775,000	-	180,000	4,595,000	555,000
Issuance premium	407,022	-	51,122	355,900	-
Total bonds payable	5,562,022	-	611,122	4,950,900	555,000
Capital lease	-	60,368	407	59,961	9,780
Compensated absences	61,267	104,006	80,260	85,013	36,877
Business-type activities long-term liabilities	$ 5,623,289	$ 164,374	$ 691,789	$ 5,095,874	$ 601,657

Compensated absences and the net pension liability of the governmental activities and business-type activities are paid by the General Fund, Water & Wastewater Fund, Stormwater Utility Fund and Splash Dayz Fund, respectively.

D. Federal Arbitrage

General Obligation Bonds, Combination Tax Revenue Bonds and Certificates of Obligation are subject to the provisions of the Internal Revenue Code of 1986 related to arbitrage and interest income tax regulations under those provisions.

IX. RISK MANAGEMENT

The City is exposed to various risk of loss related to torts; theft of, damage to and destruction of assets, errors and omissions; injuries to employees; and natural disasters. The City's general liability, automobile and property insurance is underwritten through a self-insurance fund for Texas political subdivisions. Premiums are paid to the carrier, and they administer all claims. The City is also insured for workers' compensation claims through a self-insurance fund for Texas political subdivisions. Rates are determined by the state, and the pool assigns discount rates to premiums based upon the City's claims history. The City retains, as a risk, only the deductible amount of each policy.

The City has maintained insurance coverage in all major categories of risk comparable to that of the prior year with no reduction in coverage. The amount of settlements during the past three years has not exceeded the insurance coverage.

X. DEFERRED COMPENSATION PLAN

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all City employees at their option, permits participants to defer a portion of their salary until future years. The deferred compensation is not available to participants until termination, retirement, death, or unforeseeable emergency.

The City's responsibility is to transmit employee contributions to the third-party plan administrator for deposit to the credit of the individual participant accounts. The City does not have significant administrative involvement for the assets of the plan and does not perform the investment function for the plan.

XI. DEFINED BENEFIT PENSION PLANS

A. Plan Description

The City participates as one of 883 plans in the nontraditional, joint contributory, hybrid defined benefit pension plan administered by the Texas Municipal Retirement System (TMRS). TMRS is an agency created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act) as an agent multiple-employer retirement system for municipal employees in the State of Texas. The TMRS Act places the general administration and management of the System with a six-member Board of Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the State of Texas. TMRS's defined benefit pension plan is a tax-qualified plan under Section 401 (a) of the Internal Revenue Code. TMRS issues a publicly available comprehensive annual financial report (CAFR) that can be obtained at www.tmrs.com.
All eligible employees of the City are required to participate in TMRS.

B. Benefits Provided

TMRS provides retirement, disability, and death benefits. Benefit provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS.

At retirement, the benefit is calculated as if the sum of the employee's contributions, with interest, and the city-financed monetary credits with interest were used to purchase an annuity. Members may choose to receive their retirement benefit in one of seven payments options. Members may also choose to receive a portion of their benefit as a Partial Lump Sum Distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75% of the member's deposits and interest.

The plan provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS. The plan provisions for the City were as follows:

Employee deposit rate	7%
Matching ratio (city to employee)	2 to 1
Years required for vesting	5
Retirement eligibility (age/service)	60/5, 0/20
Updated service credit	100% repeating, transfers
Annuity increase to retirees	70% of CPI

At the December 31, 2018 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries current receiving benefits	91
Inactive employees entitled to but not yet received benefits	131
Active employees	114
	336

C. Contributions

The contribution rates for employees in TMRS are either 5%, 6%, or 7% of employee gross earnings, and the city matching percentages are either 100%, 150%, or 200%, both as adopted by the governing body of the city. Under the state law governing TMRS, the contribution rate for each city is determined annually by the actuary, using the Entry Age Normal (EAN) actuarial cost method. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Employees for the City were required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rates for the City were 17.88% and 16.93% in calendar years 2018 and 2019, respectively. The City's contributions to TMRS for the year ended September 30, 2019, were $1,158,645, and were equal to the required contributions.

D. Net Pension Liability

The City's Net Pension Liability (NPL) was measured as of December 31, 2018, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions:

The Total Pension Liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.5% per year
Overall payroll growth	3.0% per year
Investment rate of return	6.75%, net of pension plan investment expense, including inflation

Salary increases were based on a service-related table. Mortality rates for active members, retirees, and beneficiaries were based on the gender-distinct RP2000 Combined Healthy Mortality Table with Blue Collar Adjustment, with male rates multiplied by 109% and female rates multiplied by 103%. For cities with fewer than twenty employees, more conservative methods and assumptions are used. The rates are projected on a fully generational basis by scale BB to account to future mortality improvements. For disable annuitants, the gender-distinct RP2000 Combined Healthy Mortality Tables with Blue Collar Adjustment are used with male rates multiplied by 109% and female rates multiplied by 103% with a 3-year set-forward for both males and females. In addition, a 3% minimum mortality rate is applied to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements subject to the 3% floor.

The actuarial assumptions were developed primarily from the actuarial investigation of experience of TMRS over the four year period from December 31, 2010 to December 31, 2014. They were adopted in 2015 and first used in the December 31, 2015 actuarial valuation. The post-retirement mortality assumption for healthy annuitants and Annuity Purchase Rate (APRs) are based on the Mortality Experience Investigation Study covering 2009 through 2011 and dated December 31, 2013. In conjunction with these changes first used in the December 31, 2013 valuation, the System adopted the Entry Age Normal actuarial cost method and a one-time change to the amortization policy. Plan assets are managed on a total return basis with an emphasis on both capital appreciation and well as the protection of income, in order to satisfy the short-term and long-term funding needs of TMRS.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. In determining their best estimate of a recommended investment return assumption under the various alternate asset allocation portfolios, GRS focused on the area between (1) arithmetic mean (aggressive) without an adjustment for time (conservative) and (2) the geometric mean (conservative) with an adjustment for time (aggressive). The target allocation and best estimates of real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Domestic equity	17.5%	4.55%
International Equity	17.5%	6.35%
Core Fixed Income	10.0%	1.00%
Non-Core Fixed Income	20.0%	3.90%
Real Return	10.0%	3.80%
Real Estate	10.0%	4.50%
Absolute Return	10.0%	3.75%
Private Equity	5.0%	7.75%
Total	100.0%	

Discount Rate

The discount rate used to measure the Total Pension Liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance at 12/31/2017	$ 32,337,708	$ 26,004,370	$ 6,333,338
Changes for the year:			
Service cost	1,073,237	-	1,073,237
Interest	2,175,102	-	2,175,102
Change of benefit terms	-	-	-
Difference between expected and actual experience	(45,291)	-	(45,291)
Changes of assumptions	-	-	-
Contributions - employer	-	1,166,680	(1,166,680)
Contributions - employee	-	456,697	(456,697)
Net investment income	-	(778,874)	778,874
Benefits payments, including refunds of employee contributions	(1,301,191)	(1,301,191)	-
Administrative expense	-	(15,055)	15,055
Other change	-	(785)	785
Net changes	1,901,857	(472,528)	2,374,385
Balance at 12/31/2018	$ 34,239,565	$ 25,531,842	$ 8,707,723

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the City, calculated using the discount rate of 6.75%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75%) or 1-percentage-point higher (7.75%) than the current rate:

	1% Decrease in in Discount Rate (5.75%)	Discount Rate (6.75%)	1% Increase in in Discount Rate (7.75%)
City's net pension liability	$ 13,787,241	$ 8,707,723	$ 4,578,303

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's Fiduciary Net Position is available in a separately-issued TMRS financial report. That report may be obtained on the Internet at *www.tmrs.com*.

E. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended September 30, 2019, the City recognized pension expense of $1,289,473.

At September 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	$ -	$ 311,121
Difference between projected and actual investment earnings	1,353,618	-
Contributions subsequent to the measurement date	824,350	-
Totals	$ 2,177,968	$ 311,121

$824,350 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction to the net pension liability for the year ending September 30, 2020. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

For the Year Ended September 30,	
2020	$ 232,204
2021	119,476
2022	183,982
2023	506,835

XII. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

A. Plan Description

TMRS administers a defined benefit group-term life insurance plan known as the Supplemental Death Benefits Fund (SDBF). This is a voluntary program in which participating member cities may elect, by ordinance, to provide group-term life insurance coverage for their active members, including or not including retirees. The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary (calculated based on the employee's actual earnings, for the 12-month period preceding the month of death). The death benefit for retirees is considered an other postemployment benefit (OPEB) and is a fixed amount of $7,500. As the SDBF covers both active and retiree participants, with no segregation of assets, the SDBF is considered to be an unfunded OPEB plan (i.e. no assets are accumulated).

The member city contributes to the SDBF at a contractually required rate as determined by an annual actuarial valuation. The rate is equal to the cost of providing one-year term life insurance. The funding policy for the SDBF program is to assure that adequate resources are available to meet all death benefit payments for the upcoming year. The intent is not to pre-fund retiree term life insurance during employees' entire careers.

B. Benefits Provided

At the December 31, 2018 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	51
Inactive employees entitled to but not yet receiving benefits	28
Active employees	114
Total	193

C. Total OPEB Liability

The City's total OPEB liability was measured as of December 31, 2018 and was determined by an actuarial valuation as of that date.

Actuarial Assumptions:

The Total OPEB Liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions:

Inflation rate	2.5% per annum
Overall payroll growth	3.50% to 10.50% including inflation
Retirees' share of benefit related costs	None

All administrative expenses are paid through the Pension Trust and accounted for under reporting requirements under GASB Statement No. 68.

Mortality rates for service retirees were based on the gender distinct RP 2000 Combined Mortality Table with Blue Collar Adjustments with male rates multiplied by 109% and female rates multiplied by 103% and projected on a fully generational basis with scale BB.

Mortality rates for disabled retirees were based on the gender distinct RP 2000 Combined Mortality Table with Blue Collar Adjustment with male rates multiplied by 109% and female rates multiplied by 103% with a 3 year set-forward for both males and females. The rates are projected on a fully generational basis with scale BB to account for future mortality improvements subject to the 3% floor.

The actuarial assumptions used in the December 31, 2018 valuation were based on the results of an actuarial experience study for the period December 31, 2010 to December 31, 2014.

Discount Rate:

The discount rate used to measure the Total OPEB Liability was 3.71%. The discount rate was based on Fidelity Index's "20-Year Municipal GO AA Index" rate as of December 31, 2018.

Changes in the OPEB Liability

	Total OPEB Liability
Balance at 12/31/2017	$ 334,890
Changes for the year:	
Service cost	13,701
Interest	11,279
Change of benefit terms	-
Difference between expected and actual experience	4,861
Changes of assumptions and other inputs	(24,731)
Benefit payments	(1,957)
Net changes	3,153
Balance at 12/31/2018	$ 338,043

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the City, calculated using the discount rate of 3.71%, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.71%) or 1-percentage-point higher (4.71%) than the current rate:

	1% Decrease in Discount Rate (2.71%)	Discount Rate (3.71%)	1% Increase in Discount Rate (4.71%)
Total OPEB Liability	$ 405,282	$ 338,043	$ 286,421

D. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended September 30, 2019, the City recognized OPEB expense of $26,368.

At September 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources relate to OPEB for the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	$ 3,906	$ -
Changes in actuarial assumptions	16,351	19,872
Contributions subsequent to the measurement date	1,966	-
Totals	$ 22,223	$ 19,872

$1,966 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date are due to benefit payments the City paid with own assets and will be recognized as a reduction of the total OPEB liability for the year ending September 30, 2020. Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

For the Year Ended September 30,	
2020	$ 1,388
2021	1,388
2022	1,388
2023	(3,428)
2024	(351)

XIII. CONTINGENT LIABILITIES

Contingencies

The City is exposed to various claims and litigation. The outcome of events are not presently determinable and the amount of the City's potential liability cannot be reasonably estimated at this time.

Federal and State Programs

Federal and state funding received related to various grant programs are based upon periodic reports detailing reimbursable expenditures made, in compliance with program guidelines, to the grantor agency. These programs are governed by various statutory rules and regulations of grantors. Amounts received and receivable under these various funding programs are subject to periodic audit and adjustment by the funding agencies. To the extent, if any, the City has not complied with all the rules and regulations with respect to performance, financial or otherwise, adjustment to or return of fund monies may be required. As it pertains to other matters of compliance, in the opinion of the City's administration, there are no significant contingent liabilities relating to matters of compliance and accordingly, no provision has been made in the accompanying financial statements for such contingencies.

XIV. CONTRACTS AND COMMITMENTS

Water and Wastewater Contracts

The City has separate contracts with the City of Fort Worth, Texas for the purchase of treated water and for the treatment of wastewater, which expire in 2031 and 2037, respectively. The contracts require the City to pay varying amounts based on the costs associated with water purchased and treated. Payments during 2019 for the purchase of treated water were $1,410,582 and payments made for the treatment of wastewater by the City of Fort Worth were $1,788,509.

XV. SUBSEQUENT EVENTS

The City has acquired certain capital assets for governmental and business-type activities through the use of lease purchase agreements. Eleven vehicles were purchased valued at $352,178 with interest rates ranging from 5.02% to 5.06%. The vehicles were delivered in October and November 2019.

REQUIRED
SUPPLEMENTARY INFORMATION

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CITY OF WHITE SETTLEMENT, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
GENERAL FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts	
	Original	Final
REVENUES		
Taxes:		
Property	$ 5,111,761	$ 5,111,761
Sales and use	2,159,967	2,159,967
Franchise	952,154	952,154
Fines and forfeitures	453,405	453,405
Licenses and permits	320,851	320,851
Intergovernmental	36,000	36,000
Charges for services	272,664	272,664
Investment earnings	80,072	80,072
Miscellaneous	71,378	71,378
Total revenues	9,458,252	9,458,252
EXPENDITURES		
Current:		
General government	2,042,597	2,272,741
Public safety	6,524,124	6,384,004
Public works	722,316	724,989
Cultural and recreation	1,609,588	1,614,266
Total expenditures	10,898,625	10,996,000
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(1,440,373)	(1,537,748)
OTHER FINANCING SOURCES (USES)		
Proceeds from capital lease	-	-
Proceeds from sale of capital assets	275,000	275,000
Transfers in	1,563,556	1,563,556
Transfers out	(808,625)	(808,733)
Total other financing sources and uses	1,029,931	1,029,823
NET CHANGE IN FUND BALANCE	(410,442)	(507,925)
FUND BALANCE, BEGINNING	11,888,397	11,888,397
FUND BALANCE, ENDING	$ 11,477,955	$ 11,380,472

Actual Amounts	Variance with Final Budget - Positive (Negative)
$ 5,187,925	$ 76,164
2,327,301	167,334
956,520	4,366
302,695	(150,710)
412,687	91,836
28,350	(7,650)
268,969	(3,695)
312,506	232,434
90,811	19,433
9,887,764	429,512
2,156,367	116,374
6,254,453	129,551
679,576	45,413
1,514,394	99,872
10,604,790	391,210
(717,026)	820,722
65,733	65,733
270,500	(4,500)
1,583,300	19,744
(350,328)	458,405
1,569,205	539,382
852,179	1,360,104
11,888,397	-
$ 12,740,576	$ 1,360,104

CITY OF WHITE SETTLEMENT, TEXAS

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

FOR THE YEAR ENDED SEPTEMBER 30, 2019

Measurement Date December 31,	**2014**	**2015**
A. Total pension liability		
Service cost	$ 611,630	$ 713,205
Interest (on the Total Pension Liability)	1,600,861	1,696,468
Changes of benefit terms	-	-
Difference between expected and actual experience	28,147	(196,008)
Change of assumptions	-	46,941
Benefit payments, including refunds of employee contributions	(892,005)	(959,214)
Net change in total pension liability	1,348,633	1,301,392
Total pension liability - beginning	23,009,625	24,358,258
Total pension liability - ending (a)	$ 24,358,258	$ 25,659,650
B. Plan fiduciary net position		
Contributions - employer	$ 643,713	$ 661,737
Contributions - employee	315,411	306,360
Net investment income	1,163,983	31,821
Benefit payments, including refunds of employee contributions	(892,005)	(959,214)
Administrative expenses	(12,153)	(19,382)
Other	(999)	(958)
Net change in plan fiduciary net position	1,217,950	20,364
Plan fiduciary net position - beginning	20,347,179	21,565,129
Plan fiduciary net position - ending (b)	$ 21,565,129	$ 21,585,493
C. Net pension liability - ending (a) - (b)	$ 2,793,129	$ 4,074,157
D. Plan fiduciary net position as a percentage of total pension liability	88.53%	84.12%
E. Covered payroll	$ 5,973,238	$ 6,127,191
F. Net position liability as a percentage of covered payroll	46.76%	66.49%

Note: This schedule is required to have 10 years of information, but the information prior to 2014 is not available.

2016	2017	2018
$ 729,404	$ 1,037,542	$ 1,073,237
2,003,764	2,097,377	2,175,102
4,294,719	-	-
(182,401)	(666,350)	(45,291)
-	-	-
(1,267,348)	(1,368,649)	(1,301,191)
5,578,138	1,099,920	1,901,857
25,659,650	31,237,788	32,337,708
$ 31,237,788	$ 32,337,708	$ 34,239,565
$ 644,276	$ 1,101,619	$ 1,166,680
306,215	431,282	456,697
1,458,796	3,147,187	(778,874)
(1,267,348)	(1,368,649)	(1,301,191)
(16,475)	(16,312)	(15,055)
(888)	(826)	(785)
1,124,576	3,294,301	(472,528)
21,585,493	22,710,069	26,004,370
$ 22,710,069	$ 26,004,370	$ 25,531,842
$ 8,527,719	$ 6,333,338	$ 8,707,723
72.70%	80.42%	74.57%
$ 6,124,296	$ 6,161,176	$ 6,524,239
139.24%	102.79%	133.47%

CITY OF WHITE SETTLEMENT, TEXAS

SCHEDULE OF CONTRIBUTIONS

FOR THE YEAR ENDED SEPTEMBER 30, 2019

Fiscal Year Ended September 30,	**2014**	**2015**	**2016**
Actuarial determined contribution	$ 591,914	$ 651,832	$ 655,291
Contributions in relation to the actuarially determined contribution	(591,914)	(651,832)	(655,291)
Contribution deficiency (excess)	-	-	-
Covered payroll	5,684,882	6,056,693	6,147,865
Contributions as a percentage of covered payroll	10.41%	10.76%	10.66%

NOTES TO SCHEDULE OF CONTRIBUTIONS

Valuation Date

Actuarially determined contribution rates are calculated as of December 31 and become effective in January 13 months later.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	27 years
Asset Valuation Method	10 Year smoothed market; 15% soft corridor
Inflation	2.50%
Salary Increases	3.50% to 10.5% including inflation
Investment Rate of Return	6.75%
Retirement Age	Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2015 valuation pursuant to an experience study of the period 2010-2014.
Mortality	RP2000 Combined Mortality Table with Blue Collar Adjustment with male rates multiplied by 109% and female rates multiplied by 103% and projected on a fully generational basis with scale BB.

Other Information: There were no benefit changes during the year.

Note: This schedule is required to have 10 years of information, but the information prior to 2014 is not available.

2017	2018	2019
$ 992,694	$ 1,139,912	$ 1,158,645
(992,694)	(1,139,912)	(1,158,645)
-	-	-
6,163,126	6,375,860	6,741,294
16.11%	17.88%	17.19%

CITY OF WHITE SETTLEMENT, TEXAS

SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS

FOR THE YEAR ENDED SEPTEMBER 30, 2019

Measurement Date December 31,	**2017**	**2018**
A. Total OPEB liability		
Service Cost	$ 11,090	$ 13,701
Interest on the total OPEB liability	11,048	11,279
Changes of benefit terms	-	-
Difference between expected and actual experience	-	4,861
Changes of assumptions and other inputs	26,935	(24,731)
Benefit payments	(1,848)	(1,957)
Net change in Total OPEB liability	47,225	3,153
Total OPEB liability - beginning	287,665	334,890
Total OPEB liability - ending	$ 334,890	$ 338,043
B. Covered-employee payroll	$ 6,161,176	$ 6,524,239
C. Total OPEB liability as a percentage of covered-employee payroll	5.44%	5.18%

Notes to Schedule:

- This schedule is required to have 10 years of information, but the information prior

- No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.*

- Changes in assumptions reflect annual change in the discount rate.

CITY OF WHITE SETTLEMENT, TEXAS

NOTES TO BUDGETARY SCHEDULES

SEPTEMBER 30, 2019

Summary of Significant Accounting Policies

A. Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the General Fund, Crime Control and Prevention District, Occupancy Tax Fund, Debt Service Fund, Street Improvement Fund, and Economic Development Corporation. The Capital Projects Fund adopts project-length budgets. All annual appropriations lapse at fiscal year-end.

The City Council follows these procedures in establishing budgetary data reflected in the financial statements.

1. Prior to the beginning of the fiscal year, the City Manager submits to the City Council proposed operating budgets for the fiscal year commencing the following October 1. The operating budgets include proposed expenditures and the means of financing them for the general and certain special revenue and debt service funds.

2. Public hearings are conducted to obtain taxpayer comments.

3. Prior to October 1, the budget is legally enacted through passage of an ordinance.

4. The City Manager is authorized by the City Council to make adjustments to budgeted amounts between departments within an operating fund or line items within a single fund as well as transfer appropriations between departments. However, the City Council must approve any transfer of unencumbered appropriation balances or portions thereof from one fund to another as well as any increases in fund appropriations after a public hearing conducted in compliance with the Texas Open Meetings Act.

5. Budgeted amounts are as originally adopted or as amended by the City Council. During 2019, individual amendments were not material in relation to the original appropriations for expenditures. All budget appropriates automatically lapse at year-end.

B. Encumbrances

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrances accounting - under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation - is utilized in the governmental funds. All encumbrances lapse at the fiscal year-end.

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

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CITY OF WHITE SETTLEMENT, TEXAS

NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET

SEPTEMBER 30, 2019

	Special Revenue Funds		
	Occupancy Tax	Crime District	Economic Development Corporation
ASSETS			
Cash and investments	$ 1,054,410	$ 753,387	$ 2,453,410
Receivables (net of allowances for uncollectibles):			
Franchise taxes	-	-	-
Miscellaneous	85,932	-	-
Due from other governments	-	182,839	194,594
Total assets	1,140,342	936,226	2,648,004
LIABILITIES			
Accounts payable	691	23,023	1,716
Total liabilities	691	23,023	1,716
FUND BALANCES			
Restricted			
Police and court	-	913,203	-
Tourism, library and senior services	1,139,651	-	-
Economic Development	-	-	2,646,288
Committed			
Street improvement	-	-	-
Total fund balances	1,139,651	913,203	2,646,288
Total liabilities and fund balances	$ 1,140,342	$ 936,226	$ 2,648,004

Special Revenue Funds		Capital Projects Fund	
Other Special Revenue	Total Special Revenue	Street Improvements	Total Nonmajor Governmental Funds
$ 260,819	$ 4,522,026	$ 1,019,452	$ 5,541,478
-	-	18,337	18,337
-	85,932	-	85,932
-	377,433	-	377,433
260,819	4,985,391	1,037,789	6,023,180
49,287	74,717	21,600	96,317
49,287	74,717	21,600	96,317
169,438	1,082,641	-	1,082,641
42,094	1,181,745	-	1,181,745
-	2,646,288	-	2,646,288
-	-	1,016,189	1,016,189
211,532	4,910,674	1,016,189	5,926,863
$ 260,819	$ 4,985,391	$ 1,037,789	$ 6,023,180

CITY OF WHITE SETTLEMENT, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Special Revenue Funds		
	Occupancy Tax	Crime District	Economic Development Corporation
REVENUES			
Property Tax	$ -	$ -	$ -
Sales and use tax	-	1,100,353	1,143,216
Franchise taxes	-	-	-
Hotel occupancy tax	366,994	-	-
Intergovernmental	-	-	-
Investment earnings	23,212	16,637	79,164
Other	-	-	26,725
Total revenues	390,206	1,116,990	1,249,105
EXPENDITURES			
Current:			
Public safety	-	399,696	-
Cultural and recreational	89,145	-	-
Capital outlay:	-	-	-
Debt service:			
Principal	-	-	475,000
Interest and fiscal charges	-	-	556,143
Total expenditures	89,145	399,696	1,031,143
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	301,061	717,294	217,962
OTHER FINANCING SOURCES (USES)			
Proceeds from capital lease	-	119,024	-
Transfers in	-	-	-
Transfers out	(306,032)	(817,304)	(57,930)
Total other financing sources (uses)	(306,032)	(698,280)	(57,930)
NET CHANGE IN FUND BALANCES	(4,971)	19,014	160,032
FUND BALANCES, BEGINNING	1,144,622	894,189	2,486,256
FUND BALANCES, ENDING	$ 1,139,651	$ 913,203	$ 2,646,288

Special Revenue Funds		Capital Projects Fund	
Other Special Revenue	Total Special Revenue	Street Improvements	Total Nonmajor Governmental Funds
$ -	$ -	$ -	$ -
-	2,243,569	-	2,243,569
-	-	392,226	392,226
-	366,994	-	366,994
61,459	61,459	-	61,459
7,125	126,138	22,658	148,796
38,213	64,938	-	64,938
106,797	2,863,098	414,884	3,277,982
119,309	519,005	-	519,005
8,901	98,046	-	98,046
-	-	161,148	161,148
		-	
-	475,000	-	475,000
-	556,143	-	556,143
128,210	1,648,194	161,148	1,809,342
(21,413)	1,214,904	253,736	1,468,640
-	119,024	-	119,024
108	108	-	108
-	(1,181,266)	(526,534)	(1,707,800)
108	(1,062,134)	(526,534)	(1,588,668)
(21,305)	152,770	(272,798)	(120,028)
232,837	4,757,904	1,288,987	6,046,891
$ 211,532	$ 4,910,674	$ 1,016,189	$ 5,926,863

CITY OF WHITE SETTLEMENT, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
OCCUPANCY TAX FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts			Variance With Final Budget - Positive (Negative)
	Original	Final	Actual	
REVENUES				
Hotel occupancy tax	$ 368,000	$ 368,000	$ 366,994	$(1,006)
Investment earnings	9,000	9,000	23,212	14,212
Total revenues	377,000	377,000	390,206	13,206
EXPENDITURES				
Current:				
Culture and recreation	190,667	206,667	89,145	117,522
Total expenditures	190,667	206,667	89,145	117,522
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	186,333	170,333	301,061	130,728
OTHER FINANCING SOURCES (USES)				
Transfers out	(200,000)	(200,000)	(306,032)	(106,032)
Total other financing sources (uses)	(200,000)	(200,000)	(306,032)	(106,032)
NET CHANGE IN FUND BALANCE	(13,667)	(29,667)	(4,971)	24,696
FUND BALANCE, BEGINNING	1,144,622	1,144,622	1,144,622	-
FUND BALANCE, ENDING	$ 1,130,955	$ 1,114,955	$ 1,139,651	$ 24,696

CITY OF WHITE SETTLEMENT, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CRIME DISTRICT FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts			Variance With Final Budget - Positive
	Original	Final	Actual	(Negative)
REVENUES				
Sales and use taxes	$ 1,015,000	$ 1,015,000	$ 1,100,353	$ 85,353
Investment earnings	3,784	3,784	16,637	12,853
Total revenues	1,018,784	1,018,784	1,116,990	98,206
EXPENDITURES				
Current:				
Public safety	451,667	456,848	399,696	57,152
Total expenditures	451,667	456,848	399,696	57,152
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	567,117	561,936	717,294	155,358
OTHER FINANCING SOURCES (USES)				
Proceeds from capital lease	-	-	119,024	119,024
Transfers out	(811,840)	(818,340)	(817,304)	1,036
Total other financing sources (uses)	(811,840)	(818,340)	(698,280)	120,060
NET CHANGE IN FUND BALANCE	(244,723)	(256,404)	19,014	275,418
FUND BALANCE, BEGINNING	894,189	894,189	894,189	-
FUND BALANCE, ENDING	$ 649,466	$ 637,785	$ 913,203	$ 275,418

CITY OF WHITE SETTLEMENT, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
ECONOMIC DEVELOPMENT CORPORATION

FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts			Variance With Final Budget - Positive
	Original	Final	Actual	(Negative)
REVENUES				
Sales and use tax	$ 887,855	$ 887,855	$ 1,143,216	$ 255,361
Investment earnings	5,473	5,473	79,164	73,691
Other	-	-	26,725	26,725
Total revenues	893,328	893,328	1,249,105	355,777
EXPENDITURES				
Debt service:				
Principal	475,000	475,000	475,000	-
Interest and fiscal charges	556,341	556,341	556,143	198
Total expenditures	1,031,341	1,031,341	1,031,143	198
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(138,013)	(138,013)	217,962	355,975
OTHER FINANCING SOURCES (USES)				
Transfers in	182,406	182,406	-	(182,406)
Transfers out	(44,393)	(56,500)	(57,930)	(1,430)
Total other financing sources (uses)	138,013	125,906	(57,930)	(183,836)
NET CHANGE IN FUND BALANCE	-	(12,107)	160,032	172,139
FUND BALANCE, BEGINNING	2,486,256	2,486,256	2,486,256	-
FUND BALANCE, ENDING	$ 2,486,256	$ 2,474,149	$ 2,646,288	$ 172,139

CITY OF WHITE SETTLEMENT, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
DEBT SERVICE FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts			Variance With Final Budget - Positive
	Original	Final	Actual	(Negative)
REVENUES				
Property taxes	$ 1,238,664	$ 1,238,664	$ 1,266,364	$ 27,700
Investment earnings	4,100	4,100	53,679	49,579
Total revenues	1,242,764	1,242,764	1,320,043	77,279
EXPENDITURES				
Debt service:				
Principal	895,000	895,000	895,000	-
Interest and fiscal charges	696,715	697,996	697,996	-
Debt issuance cost	12,400	61,993	60,284	1,709
Total expenditures	1,604,115	1,654,989	1,653,280	1,709
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(361,351)	(412,225)	(333,237)	78,988
OTHER FINANCING SOURCES (USES)				
Proceeds from bonds	-	2,995,000	2,995,000	-
Premium on issuance of debt	-	87,343	87,343	-
Transfers in	370,042	370,042	370,042	-
Transfers out	-	(3,025,000)	(3,025,000)	-
Total other financing sources (uses)	370,042	427,385	427,385	-
NET CHANGE IN FUND BALANCE	8,691	15,160	94,148	78,988
FUND BALANCE, BEGINNING	261,426	261,426	261,426	-
FUND BALANCE, ENDING	$ 270,117	$ 276,586	$ 355,574	$ 78,988

CITY OF WHITE SETTLEMENT, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
STREET IMPROVEMENT FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts			Variance With Final Budget - Positive
	Original	Final	Actual	(Negative)
REVENUES				
Franchise taxes	$ 377,778	$ 377,778	$ 392,226	$ 14,448
Investment earnings	10,000	10,000	22,658	12,658
Total revenues	387,778	387,778	414,884	27,106
EXPENDITURES				
Capital outlay	230,000	230,000	161,148	68,852
Total expenditures	230,000	230,000	161,148	68,852
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	157,778	157,778	253,736	95,958
OTHER FINANCING SOURCES (USES)				
Transfers out	(526,534)	(526,534)	(526,534)	-
Total other financing sources (uses)	(526,534)	(526,534)	(526,534)	-
NET CHANGE IN FUND BALANCE	(368,756)	(368,756)	(272,798)	95,958
FUND BALANCE, BEGINNING	1,288,987	1,288,987	1,288,987	-
FUND BALANCE, ENDING	$ 920,231	$ 920,231	$ 1,016,189	$ 95,958

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STATISTICAL SECTION

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STATISTICAL SECTION
(Unaudited)

This part of the City of White Settlement's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

Contents	**Page**
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	69 – 78
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue sources.	79 - 84
Debt Capacity These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	85 - 91
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	92 - 94
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	95 - 100

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CITY OF WHITE SETTLEMENT, TEXAS

NET POSITION BY COMPONENT

LAST TEN FISCAL YEARS
(UNAUDITED)

	Fiscal Year			
	2010	2011	2012	2013
Governmental activities:				
Net investment in capital assets	$ 12,556,237	$ 12,013,563	$ 12,329,870	$ 13,128,490
Restricted	527,060	3,938,972	4,285,434	8,399,605
Unrestricted	8,529,045	8,204,043	9,621,093	11,773,232
Total governmental activities net position	$ 21,612,342	$ 24,156,578	$ 26,236,397	$ 33,301,327
Business-type activities:				
Net investment in capital assets	$ 10,951,282	$ 11,694,923	$ 11,949,257	$ 12,677,910
Restricted	149,824	527,239	771,491	1,666,924
Unrestricted	6,391,323	7,042,561	8,034,022	7,743,655
Total business-type activities net position	$ 17,492,429	$ 19,264,723	$ 20,754,770	$ 22,088,489
Primary government:				
Net investment in capital assets	$ 23,507,519	$ 23,708,486	$ 24,279,127	$ 25,806,400
Restricted	676,884	4,466,211	5,056,925	10,066,529
Unrestricted	14,920,368	15,246,604	17,655,115	19,516,887
Total primary government net position	$ 39,104,771	$ 43,421,301	$ 46,991,167	$ 55,389,816

Fiscal Year					
2014	2015	2016	2017	2018	2019
$ 19,869,406	$ 18,623,666	$ 20,969,268	$ 18,757,574	$ 17,352,532	$ 18,397,470
2,160,407	2,800,134	5,181,632	4,390,055	4,777,104	5,035,518
10,972,022	8,887,923	9,060,767	5,166,253	6,710,647	7,190,509
$ 33,001,835	$ 30,311,723	$ 35,211,667	$ 28,313,882	$ 28,840,283	$ 30,623,497
$ 13,428,324	$ 13,463,428	$ 13,614,773	$ 14,251,059	$ 15,259,325	$ 18,230,736
2,345,747	3,134,404	3,937,052	-	-	-
8,227,222	8,826,266	9,462,962	14,323,493	16,131,530	13,792,430
$ 24,001,293	$ 25,424,098	$ 27,014,787	$ 28,574,552	$ 31,390,855	$ 32,023,166
$ 33,297,730	$ 32,087,094	$ 34,584,041	$ 33,008,633	$ 32,611,857	$ 36,628,206
4,506,154	5,934,538	9,118,684	4,390,055	4,777,104	5,035,518
19,199,244	17,714,189	18,523,729	19,489,746	22,842,177	20,982,939
$ 57,003,128	$ 55,735,821	$ 62,226,454	$ 56,888,434	$ 60,231,138	$ 62,646,663

CITY OF WHITE SETTLEMENT, TEXAS

CHANGES IN NET POSITION

LAST TEN FISCAL YEARS
(UNAUDITED)

	Fiscal Year			
	2010	2011	2012	2013
EXPENSES				
Governmental activities:				
General government	$ 1,581,559	$ 1,362,135	$ 1,419,423	$ 1,467,221
Public safety	5,214,067	5,136,644	5,499,077	5,768,084
Public works	1,019,006	986,818	1,203,843	1,196,989
Public health	214,752	214,829	198,373	206,776
Cultural and recreation	1,432,284	1,412,396	1,467,194	1,458,161
Non departmental	-	-	-	-
Economic development and assistance	-	-	-	-
Interest on long-term debt	-	-	-	-
Bond issuance cost	373,587	303,458	292,201	275,917
Total governmental activities expenses	9,835,255	9,416,280	10,080,111	10,373,148
Business-type activities:				
Water and wastewater	4,463,414	3,733,018	4,457,221	4,747,179
Stormwater utility	24,038	25,219	32,503	31,317
Sanitation	597,957	577,472	588,997	603,783
Splash Dayz	-	-	-	-
Total business-type activities expenses	5,085,409	4,335,709	5,078,721	5,382,279
Total primary government program expenses	$ 14,920,664	$ 13,751,989	$ 15,158,832	$ 15,755,427
PROGRAM REVENUES				
Governmental activities:				
Charges for services:				
General government	$ 64,788	$ 66,130	$ 79,808	$ 62,618
Public safety	530,914	653,561	881,978	1,073,862
Cultural and recreational	71,538	112,572	115,632	114,145
Other	43,661	35,319	34,416	44,109
Operating grants and contributions	26,868	59,407	13,762	53,723
Capital grants and contributions	591,989	174,806	-	-
Total governmental activities program revenues	1,329,758	1,101,795	1,125,596	1,348,457
Business-type activities:				
Charges for services:				
Water and wastewater	5,306,756	5,778,390	5,608,481	5,912,656
Stormwater utility	530,991	534,690	518,382	546,704
Sanitation	654,088	663,700	641,663	686,457
Splash Dayz	-	-	-	-
Capital grants and contributions	382,830	571,511	375,116	430,624
Total business-type activities program revenues	6,874,665	7,548,291	7,143,642	7,576,441
Total primary government program revenues	$ 8,204,423	$ 8,650,086	$ 8,269,238	$ 8,924,898

TABLE 2

Fiscal Year					
2014	2015	2016	2017	2018	2019
$ 2,622,855	$ 3,236,070	$ 1,770,465	$ 3,004,317	$ 1,830,107	$ 2,320,094
5,908,877	6,047,017	6,165,619	8,351,956	6,416,920	6,962,807
1,349,597	1,092,938	1,310,577	1,510,737	1,302,154	2,300,499
227,709	232,981	218,176	261,628	197,429	-
1,489,447	1,485,946	3,073,280	4,816,249	2,504,485	1,750,861
-	554,996	468,674	-	115,936	-
-	-	194,280	351,446	142,472	-
-	247,157	1,283,842	1,161,107	1,144,944	1204227
303,809	384,286	-	62,870	9,390	60,284
11,902,294	13,281,391	14,484,913	19,520,310	13,663,837	14,598,772
4,687,161	5,093,589	5,337,586	6,562,769	5,580,344	6,528,922
40,032	65,735	43,225	312,558	478,834	696,136
618,654	636,180	638,722	671,221	710,225	728,067
-	-	742,074	1,445,968	1,678,350	1,344,542
5,345,847	5,795,504	6,761,607	8,992,516	8,447,753	9,297,667
$ 17,248,141	$ 19,076,895	$ 21,246,520	$ 28,512,826	$ 22,111,590	$ 23,896,439
$ 66,622	$ 66,705	$ 11,348	$ 19,237	$ 19,779	$ 10,431
986,861	846,975	745,345	995,748	776,360	789,509
80,133	89,450	292,278	227,502	191,691	196,946
25,839	22,789	43,436	96,472	100,180	-
67,809	70,393	92,910	100,866	97,170	89,809
6,642,294	130,272	-	397,251	14,000	5,924
7,869,558	1,226,584	1,185,317	1,837,076	1,199,180	1,092,619
6,101,311	6,330,324	6,724,402	6,826,371	8,255,535	9,258,118
551,483	554,576	568,176	565,575	571,306	579,294
705,652	719,654	739,835	757,895	797,124	5,678
-	-	261,433	708,757	775,621	811,941
553,865	468,334	436,337	786,273	452,710	268,235
7,912,311	8,072,888	8,730,183	9,644,871	10,852,296	10,923,266
$ 15,781,869	$ 9,299,472	$ 9,915,500	$ 11,481,947	$ 12,051,476	$ 12,015,885

CITY OF WHITE SETTLEMENT, TEXAS

CHANGES IN NET POSITION

LAST TEN FISCAL YEARS
(UNAUDITED)

	Fiscal Year			
	2010	2011	2012	2013
NET (EXPENSE) REVENUES				
Governmental activities	$(8,505,497)	$(8,314,485)	$(8,954,515)	$(9,024,691)
Business-type activities	1,789,256	3,212,582	2,064,921	2,194,162
Total primary government net expense	(6,716,241)	(5,101,903)	(6,889,594)	(6,830,529)
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION				
Governmental activities:				
Taxes				
Property	4,208,683	3,475,352	3,797,676	3,954,575
Sales	3,250,703	4,162,050	4,655,270	3,615,774
Franchise	1,115,058	1,210,396	1,189,497	1,168,219
Occupancy	113,712	133,505	194,549	185,394
Oil and gas royalties	63,080	349,979	498,998	126,346
Investment earnings	33,442	16,119	15,823	25,035
Other	160,531	58,387	97,821	536,713
Transfers	690,347	1,452,933	584,700	584,700
Total governmental activities	9,635,556	10,858,721	11,034,334	10,196,756
Business-type activities:				
Investment earnings	23,350	12,645	9,826	16,769
Other	2,183	-	-	2,988
Transfers	(690,347)	(1,452,933)	(584,700)	(584,700)
Total business-type activities	(664,814)	(1,440,288)	(574,874)	(564,943)
Total primary government	8,970,742	9,418,433	10,459,460	9,631,813
CHANGE IN NET POSITION				
Governmental activities	1,130,059	2,544,236	2,079,819	1,172,065
Business-type activities	1,124,442	1,772,294	1,490,047	1,629,219
Total primary government	$ 2,254,501	$ 4,316,530	$ 3,569,866	$ 2,801,284

TABLE 2

Fiscal Year					
2014	2015	2016	2017	2018	2019
$(4,032,736)	$(12,054,807)	$(13,299,596)	$(17,683,234)	$(12,464,657)	$(13,506,153)
2,566,464	2,277,384	1,968,576	652,355	2,404,543	1,625,599
(1,466,272)	(9,777,423)	(11,331,020)	(17,030,879)	(10,060,114)	(11,880,554)
3,919,467	4,324,727	4,712,833	5,108,248	5,581,370	6,530,351
3,979,692	3,212,591	4,461,628	4,017,558	5,322,594	4,570,870
1,247,023	1,329,368	1,218,433	1,253,174	1,364,626	1,347,717
206,043	268,954	318,010	357,912	350,720	366,994
178,041	32,265	38,836	35,314	50,009	48,871
31,932	49,293	125,753	207,537	341,024	721,055
(34,809)	1,153,705	224,302	594,068	463,730	326,822
670,000	670,000	464,139	(788,362)	(227,799)	1,376,687
10,197,389	11,040,903	11,563,934	10,785,449	13,246,274	15,289,367
16,066	21,351	38,370	115,708	224,344	372,037
274	-	47,882	3,340	(7,935)	11,362
(670,000)	(670,000)	(464,139)	788,362	227,799	(1,376,687)
(653,660)	(648,649)	(377,887)	907,410	444,208	(993,288)
9,543,729	10,392,254	11,186,047	11,692,859	13,690,482	14,296,079
6,164,653	(1,013,904)	(1,735,662)	(6,897,785)	781,617	1,783,214
1,912,804	1,628,735	1,590,689	1,559,765	2,848,751	632,311
$ 8,077,457	$ 614,831	$(144,973)	$(5,338,020)	$ 3,630,368	$ 2,415,525

CITY OF WHITE SETTLEMENT, TEXAS

FUND BALANCES
GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS
(UNAUDITED)

	2010	2011	2012	2013
General fund:				
Reserved	$ 57,978	$ -	$ -	$ -
Unreserved, designated	-	-	-	-
Unreserved, undesignated	7,183,003	-	-	-
Nonspendable	-	152,637	1,179,416	906,253
Restricted	-	-	-	-
Committed	-	-	42,079	-
Assigned	-	155,598	2,123	2,175
Unassigned	-	8,216,770	8,777,947	9,991,494
Total general fund	$ 7,240,981	$ 8,525,005	$ 10,001,565	$ 10,899,922
All other governmental funds				
Reserved	$ 417,777	$ -	$ -	$ -
Unreserved, reported in:				
Special revenue funds	992,163	-	-	-
Capital projects funds	2,400,099	-	-	-
Permanent funds	60,664	-	-	-
Nonspendable	-	1,523,210	1,523,210	764,785
Restricted	-	2,391,058	2,744,166	5,752,858
Committed	-	930,960	987,098	1,045,473
Total all other governmental funds	$ 3,870,703	$ 4,845,228	$ 5,254,474	$ 7,563,116

TABLE 3

2014	2015	2016	2017	2018	2019
$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-
-	-	-	-	-	-
618,971	65,900	120,231	113,453	89,243	87,935
-	-	-	-	-	-
-	-	-	-	-	-
2,882	813,615	1,833,349	758,202	638,680	439,785
10,308,848	9,803,035	8,436,493	9,831,907	11,160,474	12,212,856
$ 10,930,701	$ 10,682,550	$ 10,390,073	$ 10,703,562	$ 11,888,397	$ 12,740,576
$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
23,210	23,210	-	23,341	-	-
5,861,970	15,033,521	14,925,905	13,202,906	11,143,840	14,421,156
1,100,267	1,398,473	1,552,088	1,041,949	1,288,987	1,016,189
$ 6,985,447	$ 16,455,204	$ 16,477,993	$ 14,268,196	$ 12,432,827	$ 15,437,345

CITY OF WHITE SETTLEMENT, TEXAS

CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS
(UNAUDITED)

	2010	2011	2012	2013
REVENUES				
Taxes	$ 8,384,833	$ 8,969,708	$ 9,870,555	$ 8,940,215
Fines and fees	254,318	279,934	400,481	488,501
Licenses and permits	247,562	342,630	436,309	552,803
Charges for services	158,449	174,879	164,229	191,455
Intergovernmental	671,644	199,737	93,205	116,070
Oil and gas royalties	63,080	349,979	498,998	126,346
Interest income	33,442	16,119	15,823	25,035
Other revenues	123,801	27,334	56,719	72,239
Total revenues	9,937,129	10,360,320	11,536,319	10,512,664
EXPENDITURES				
General government	1,485,075	1,279,852	1,357,354	1,437,870
Public safety	6,138,940	4,917,947	5,199,391	6,360,243
Public works	633,289	586,341	805,338	840,737
Public health	210,076	201,574	183,025	199,625
Culture and recreation	1,321,603	1,253,404	1,373,062	1,310,124
Other	-	-	-	-
Capital outlay	2,219,038	197,453	62,788	912,951
Debt service				
Principal	749,563	888,956	1,049,756	711,284
Interest and fiscal charges	362,650	487,098	280,289	247,915
Debt issuance cost	-	-	-	48,558
Total expenditures	13,120,234	9,812,625	10,311,003	12,069,307
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	$(3,183,105)	$ 547,695	$ 1,225,316	$(1,556,643)
OTHER FINANCING SOURCES (USES)				
Proceeds from insurance recoveries	26,949	24,343	59,449	30,341
Proceeds from sale of capital asset	13,381	213,578	16,341	25,265
Transfers in	1,678,022	2,339,048	1,448,931	1,682,245
Transfers out	(715,572)	(886,115)	(864,231)	(1,097,545)
Issuance of capital lease	689,326	-	-	798,336
Issuance of debt	-	-	-	3,325,000
Premium (discount) on bonds	-	-	-	-
Payment to escrow agent	-	-	-	-
Total other financing sources (uses)	1,692,106	1,690,854	660,490	4,763,642
NET CHANGE IN FUND BALANCES	$(1,490,999)	$ 2,238,549	$ 1,885,806	$ 3,206,999
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	11.73%	14.62%	13.31%	9.52%

Notes:
The EDC fund was reclassified as a blended component unit from a discretely presented component unit in fiscal year 2016.

2014	2015	2016	2017	2018	2019
$ 9,326,432	$ 9,083,636	$ 10,814,382	$ 10,727,289	$ 12,616,845	$ 12,740,899
498,862	499,021	492,184	527,474	409,556	302,695
446,404	344,623	296,454	467,211	360,522	412,687
160,882	124,355	349,577	346,023	312,492	268,969
133,228	126,934	92,910	100,866	97,170	89,809
178,041	32,265	38,836	35,314	50,009	-
31,932	49,293	125,753	207,537	341,024	721,055
52,926	83,847	174,061	167,308	72,645	165,546
10,828,707	10,343,974	12,384,157	12,579,022	14,260,263	14,701,660
2,540,547	2,598,097	1,688,726	2,182,511	1,827,502	2,156,367
5,517,720	5,959,393	5,737,297	5,708,614	6,348,847	6,773,458
796,387	505,010	558,072	1,160,369	494,650	679,576
220,462	233,778	224,739	181,188	203,009	-
1,349,977	1,367,904	1,954,713	1,664,869	1,699,655	1,612,440
-	554,996	661,037	161,078	252,527	-
907,948	1,609,706	2,424,366	670,532	1,896,535	1,852,986
490,000	488,110	1,810,226	1,250,000	1,225,000	1,370,000
280,789	277,076	1,408,156	1,209,826	1,203,164	1,254,139
-	247,157	-	62,870	9,390	60,284
12,103,830	13,841,227	16,467,332	14,251,857	15,160,279	15,759,250
$(1,275,123)	$(3,497,253)	$(4,083,175)	$(1,672,835)	$(900,016)	$(1,057,590)
3,234	1,069,858	24,882	41,333	31,601	-
54,999	33,958	59,219	456,364	315,218	270,500
1,500,024	1,513,392	2,346,212	2,042,654	2,321,787	7,662,759
(830,024)	(843,392)	(1,882,073)	(2,831,016)	(2,419,124)	(6,286,072)
-	-	-	-	-	184,757
-	13,230,000	-	3,815,000	-	2,995,000
-	677,968	-	415,046	-	87,343
-	(2,962,925)	-	(4,162,854)	-	-
728,233	12,718,859	548,240	(223,473)	249,482	4,914,287
$(546,890)	$ 9,221,606	$(3,534,935)	$(1,896,308)	$(650,534)	$ 3,856,697
6.94%	6.54%	23.06%	19.17%	18.67%	14.63%

CITY OF WHITE SETTLEMENT, TEXAS **TABLE 5**

ASSESSED VALUE AND ESTIMATED
ACTUAL VALUE OF TAXABLE PROPERTY

LAST TEN YEARS
(UNAUDITED)

Fiscal Year	Real Property Assessed Value	Personal Property Assessed Value	Total Assessed Value	Ratio of Total Assessed to Total Estimated Actual Value	Total Direct Tax Rate
2010	453,224,861	148,067,129	601,291,990	100.00%	0.686000
2011	403,002,445	97,937,333	500,939,778	100.00%	0.686000
2012	406,457,750	102,904,198	509,361,948	100.00%	0.742140
2013	421,769,496	198,713,308	620,482,804	100.00%	0.614715
2014	429,425,350	147,399,652	576,825,002	100.00%	0.670653
2015	458,903,066	218,088,768	676,991,834	100.00%	0.690660
2016	453,538,434	196,194,088	649,732,522	100.00%	0.733103
2017	522,620,053	141,005,729	663,625,782	100.00%	0.756000
2018	621,808,273	124,035,809	745,844,082	100.00%	0.762127
2019	712,145,110	139,260,868	851,405,978	100.00%	0.762186

Source: Tarrant Appraisal District Totals for Roll Instance - 220 07/25/18

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CITY OF WHITE SETTLEMENT, TEXAS

PROPERTY TAX LEVIES AND COLLECTIONS

LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year Ended 9/30	Tax Year	Taxes Levied for the Fiscal Year	Adjustments to Levy in Subsequent Years	Adjusted Taxes Levied for the Fiscal Year
2010	2009	4,125,086	(2,672)	4,122,414
2011	2010	3,436,632	(928)	3,435,704
2012	2011	3,752,309	(2,386)	3,749,924
2013	2012	3,810,645	(6,128)	3,804,517
2014	2013	3,846,840	(6,611)	3,840,229
2015	2014	4,281,718	(11,117)	4,270,601
2016	2015	4,397,621	335,720	4,733,341
2017	2016	4,922,712	90,939	5,013,651
2018	2017	5,355,792	203,977	5,559,769
2019	2018	5,865,864	641,026	6,506,890

TABLE 6

Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date		Outstanding Delinquent Taxes	Ratio of Delinquent Taxes to Adjusted Levy
Amount	Percentage of Levy		Total Tax Amount	Percentage of Levy		
4,024,396	97.56%	80,714	4,105,110	99.58%	17,303	0.42%
3,358,329	97.72%	64,177	3,422,506	99.62%	13,198	0.38%
3,688,395	98.36%	54,066	3,742,461	99.80%	7,462	0.20%
3,759,012	98.65%	29,739	3,788,751	99.59%	15,765	0.41%
3,791,609	98.56%	36,286	3,827,895	99.68%	12,334	0.32%
4,214,837	98.44%	47,254	4,262,090	99.80%	8,510	0.20%
4,678,657	106.39%	35,883	4,714,540	99.60%	18,801	0.40%
4,995,473	101.48%	(7,179)	4,988,294	99.49%	25,357	0.51%
5,498,546	102.67%	19,936	5,518,482	99.26%	41,287	0.74%
6,352,521	108.30%	-	6,352,521	97.63%	154,369	2.37%

CITY OF WHITE SETTLEMENT, TEXAS **TABLE 7**

DIRECT AND OVERLAPPING
PROPERTY TAXES
(Per $100 Assessed Value)
LAST TEN FISCAL YEARS
(UNAUDITED)

	City Direct Rates			Overlapping Rates				
Fiscal Year	General	Debt Service	Total Direct Rate	County College	School District	Hospital District	County	Total
2010	0.517	0.169	0.686	0.138	1.540	0.228	0.264	2.856
2011	0.460	0.226	0.686	0.149	1.540	0.228	0.264	2.867
2012	0.501	0.241	0.742	0.149	1.540	0.228	0.264	2.923
2013	0.450	0.165	0.615	0.149	1.540	0.228	0.264	2.796
2014	0.536	0.135	0.671	0.150	1.540	0.228	0.264	2.852
2015	0.550	0.140	0.691	0.150	1.540	0.228	0.264	2.872
2016	0.579	0.154	0.733	0.150	1.540	0.228	0.264	2.915
2017	0.603	0.153	0.756	0.145	1.540	0.228	0.254	2.923
2018	0.611	0.151	0.762	0.140	1.540	0.224	0.244	2.911
2019	0.612	0.150	0.762	0.136	1.520	0.224	0.234	2.877

Notes:

Ad Valorem Tax Limitation. The City of White Settlement, Texas, has the power to levy taxes to the State of Texas. The constitutional limitation is $2.50 per hundred dollars valuation for all purposes. This limitation is $1.50 per hundred dollars valuation purposes in the City Charter.

Due Date of Current Taxes. Full payment of taxes is due on or before January 31st. No provision is

Penalties for Delinquents. Failure to make full payments before February 1st causes the tax to subject to a penalty in accordance with the State Property Tax Code 33.01.

Delinquent Tax Collections. A tax lien is placed on property on which the taxes have not been paid. demand letters from the attorney's office setting a final date for payment. If payment is not made by the final date, the City of White Settlement instigates legal procedures.

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CITY OF WHITE SETTLEMENT, TEXAS

PRINCIPAL PROPERTY TAXPAYERS

CURRENT YEAR AND TEN YEAR AGO
(UNAUDITED)

			2019		
Taxpayer		**Type of Business**	**Taxable Assessed Value**	**Rank**	**Percentage of Total City Taxable Assessed Value**
SPM Flow Control	1	Industrial-Petroleum	$ 56,493,949	1	6.64%
CRV Investments LLC	2	Real estate	28,138,362	2	3.30%
WG NLA LLC	3	Industrial	15,976,136	3	1.88%
Lowe's Home Center, Inc.	4	Home Improvement	12,987,643	4	1.53%
AV Brickell Pointe Ltd	5	Real estate	10,981,256	5	1.29%
Lowrance Properties	6	Industrial	10,377,126	6	1.22%
Deepdale Investments, LTD	7	Real estate	10,300,000	7	1.21%
Manitoba Management Inc	8	Real estate	9,950,000	8	1.17%
AV Beacon LLC	9	Real estate	9,389,963	9	1.10%
Graham Realty Investments, Ltd.	10	Auto dealership	9,285,000	10	1.09%
SPM Flow Control		Industrial-Petroleum	-		- %
Lowe's Home Center, Inc.		Retail outlet	-		- %
Graham Realty Investments, Ltd.		Real estate	-		- %
Oaks Timbers		Real estate	-		- %
ESS Prisa II TX, Lp		Real estate	-		- %
Chesapeake Land Development		Real estate	-		- %
Oncor Electric Delivery Co., LLC		Electric Utility	-		- %
Armet Data St Ltd Partnership		Real estate	-		- %
Ddre McDonald Family, Lp		Real estate	-		- %
Shg Secred Resoutces		Extended Care Facility	-		- %
		Totals	$ 173,879,435		20.43%

2010		
Taxable Assessed Value	**Rank**	**Percentage of Total City Taxable Assessed Value**
$ -		- %
-		- %
-		- %
-		- %
-		- %
-		- %
-		- %
-		- %
-		- %
-		- %
83,500,000	1	13.89%
12,754,137	2	2.12%
6,384,879	3	1.06%
6,322,000	4	1.05%
5,924,432	5	0.99%
5,107,609	6	0.85%
4,856,875	7	0.81%
4,821,167	8	0.80%
4,719,100	9	0.78%
4,577,639	10	0.76%
$ 138,967,838		23.11%

CITY OF WHITE SETTLEMENT, TEXAS

RATIO OF OUTSTANDING DEBT BY TYPE

LAST TEN FISCAL YEARS
(UNAUDITED)

	Governmental Activities			
Fiscal Year	**General & Certificates of Obligation**	**Revenue Bonds**	**Tax Notes**	**Capital Leases**
2010	6,495,000	-	1,065,000	709,996
2011	6,345,000	-	580,000	456,039
2012	5,985,000	-	125,000	221,283
2013	5,620,000	-	3,325,000	798,336
2014	5,240,000	-	3,215,000	798,336
2015	18,997,842	12,600,000	155,000	730,226
2016	18,431,916	12,195,000	-	-
2017	17,843,403	11,770,000	-	-
2018	16,989,775	11,320,000	-	-
2019	19,093,371	10,845,000	-	172,387

Notes: Excludes bond issuance and other costs.

Business-type Activities					
General & Certificates of Obligation	Revenue Bonds	Capital Leases	Total Primary Government	Total Debt Per Capita	Debt as % of Personal Income
9,555,000	270,000	345,092	18,440,088	1,138	4.80%
9,205,000	185,000	123,990	16,895,029	1,048	4.30%
8,745,000	100,000	35,456	15,211,739	928	3.80%
8,275,000	-	-	18,018,336	1,073	5.70%
7,800,000	-	-	17,053,336	1,004	6.30%
7,308,972	-	-	39,792,040	2,330	10.90%
6,796,813	-	-	37,423,729	2,175	10.20%
6,152,264	-	-	35,765,667	2,079	9.80%
5,562,022	-	-	33,871,797	1,900	11.30%
4,950,900	-	59,961	35,121,619	1,963	11.00%

CITY OF WHITE SETTLEMENT, TEXAS

RATIO OF GENERAL OBLIGATION BONDED DEBT
TO ASSESSED VALUE AND NET GENERAL
OBLIGATION BONDED DEBT PE R CAPITA

LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year	Population[1]	Assessed Value (In Thousands)[2]	Gross Bonded Debt[3]	Less Debt Service Funds[4]
2010	16,400	601,292	6,495,000	359,284
2011	16,200	500,940	8,050,000	357,495
2012	16,116	509,362	7,535,000	382,938
2013	16,390	620,483	7,015,000	587,712
2014	16,800	576,825	6,480,000	603,891
2015	16,980	676,992	18,997,842	1,399,249
2016	17,077	649,733	18,431,916	855,184
2017	17,207	663,626	18,431,916	273,144
2018	17,828	745,844	16,989,775	261,426
2019	17,896	851,406	19,093,371	355,574

(1) Source: North Central Texas Council of Governments
(2) Table 5
(3) Table 9 - Amount does not include Revenue Bonds.
(4) Amount available for repayment of General Obligation Bonds

Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt Per Capita
6,135,716	1.02%	374
7,692,505	1.54%	475
7,152,062	1.40%	444
6,427,288	1.04%	392
5,876,109	1.02%	350
17,598,593	2.60%	1,036
17,576,732	2.71%	1,029
18,158,772	2.74%	1,055
16,728,349	2.24%	938
18,737,797	2.20%	1,047

CITY OF WHITE SETTLEMENT, TEXAS **TABLE 11**

COMPUTATION OF DIRECT AND OVERLAPPING BONDED DEBT
GENERAL OBLIGATION BONDS

AS OF SEPTEMBER 30, 2019
(UNAUDITED)

Jurisdiction	Net General Obligation Bonded Debt Outstanding	Percentage Applicable to City of White Settlement	Amount Applicable to City of White Settlement
Direct:			
City of White Settlement	$ 22,770,000	100.00%	$ 22,770,000
Total direct debt	22,770,000		22,770,000
Overlapping:			
White Settlement Independent School District	153,712,305	39.87%	61,285,096
Fort Worth Independent School District[1]	901,160,000	0.05%	450,580
Tarrant County	266,375,000	0.45%	1,198,688
Tarrant County Hospital District	17,735,000	0.45%	79,808
Tarrant County College District	-	0.45%	-
Total overlapping debt	1,338,982,305		63,014,171
Total direct and overlapping debt	$ 1,361,752,305		$ 85,784,171

Ratio of overlapping bonded debt to taxable assessed valuation	8.70%
Per capita overlapping bonded debt	$ 4,793

(1) The portion of White Settlement which overlaps Fort Worth Independent School District is federal land and not subject to taxation.

CITY OF WHITE SETTLEMENT, TEXAS **TABLE 12**

LEGAL DEBT MARGIN INFORMATION

AS OF SEPTEMBER 30, 2019
(UNAUDITED)

No direct funded debt limitation is imposed on the City under current state law or the City's Home rule Charter.

The City Charter empowers the City Council, under the provisions of the Texas Constitution, Article II, Section 5, to levy, assess and collect an annual tax upon taxable property within the City. The Charter further states the tax is not to exceed a total of one dollar and fifty cents ($1.50) on the one hundred dollars ($100.00) assessed valuation of said property. No provisions are made limiting the amount of this tax rate that can be used for debt service. The City may issue only those bonds and amounts approved by the voters of the City.

REVENUE BOND COVERAGE
WATER AND WASTEWATER BONDS

LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year	Gross Revenue	Direct Operating Expenses[1]	Net Revenue Available for Debt Service	Debt Service[2]			Coverage[3]
				Principal	Interest	Total	
2010	5,612,715	3,549,671	2,063,044	500,000	386,487	886,487	2.33
2011	6,082,219	2,859,218	3,223,001	500,000	392,495	892,495	3.61
2012	5,913,597	3,467,865	2,445,732	545,000	335,851	880,851	2.78
2013	6,236,016	3,745,929	2,490,087	570,000	318,594	888,594	2.80
2014	6,418,402	3,729,545	2,688,857	475,000	305,131	780,131	3.45
2015	6,650,938	4,132,793	2,518,145	495,000	292,181	787,181	3.20
2016	7,798,778	4,983,323	2,815,455	510,000	278,781	788,781	3.57
2017	7,971,469	5,395,981	2,575,488	635,000	148,089	783,089	3.29
2018	9,499,280	5,454,756	4,044,524	540,000	157,182	697,182	5.80
2019	9,532,031	6,398,856	3,133,175	560,000	155,350	715,350	4.38

Notes:
(1) Total operating expenses exclusive of depreciation and administrative cost sharing.
(2) Revenue bonded debt only
(3) Based on current debt service as opposed to maximum annual debt service as specified in the bond ordinances.

CITY OF WHITE SETTLEMENT, TEXAS **TABLE 14**

DEMOGRAPHIC AND ECONOMIC STATISTICS

LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year	Population[1]	Median Income[2]	Per Capita Income	Personal Income[2]	School Enrollment[4]	Unemployment Rate[5]
2010	16,400	55,425	24,093 [2]	395,125,200	5,864	7.9%
2011	16,200	45,886	19,551 [2]	316,726,200	6,369	7.8%
2012	16,116	56,532	20,969 [3]	337,933,869	6,548	7.4%
2013	16,390	45,427	16,850 [3]	276,167,852	6,556	5.3%
2014	16,800	43,358	16,082 [3]	270,183,383	6,697	5.0%
2015	16,980	57,890	21,473 [3]	364,603,932	6,646	5.0%
2016	17,077	57,727	21,412 [3]	365,654,295	6,697	3.7%
2017	16,830	45,382	16,833 [3]	283,300,838	6,870	3.4%
2018	17,828	45,382	16,833 [3]	300,100,258	6,714	3.4%
2019	17,896	48,156	17,862 [3]	319,658,671	6,913	3.4%

Sources:

(1) North Texas Council of Governments
(2) Department of Housing and Urban Development - American Community Survey (5-year
(3) City staff calculation based on family median income for 2.696 members per family.
(4) White Settlement Independent School District
(5) Texas Workforce Commission-Tarrant County

CITY OF WHITE SETTLEMENT, TEXAS

PRINCIPAL EMPLOYERS

CURRENT YEAR AND NINE YEAR AGO
(UNAUDITED)

Employer	Type of Business
Weir SPM	Oil field equipment
White Settlement I.S.D.	Education
PDX Inc.	Software Development
City of White Settlement	Municipal government
Education Service Center Region XI	Resource Provider for School Districts
Trinity Healthcare Courtyards	Rehabilitation/nursing
Lowe's Home Center #1619	Building materials/hardware retail
Co-Operative Industries	Electrical wiring harnesses mfg.
Premier Produce	Retail
West Side Campus of Care	Rehabilitation/nursing
W.S Nursing Home	Rehabilitation/nursing
ABC Roofing	Building materials/hardware retail
Western Hill Rehabilitation & Nursing Center	Rehabilitation/nursing
OmniAmerican Bank	Financial institution
Academy Sports & Outdoors #97	Retail
Manuel Auto Group	Auto dealership
	Totals

Total City employment

Based on 2014 NCTCOG Employer Info **A**
Estimate **B**

2019		2010	
Employees	Percentage of Total City Employment	Employees	Percentage of Total City Employment
647	7.16%	414	7.81%
846	9.36%	613	11.56%
429	4.75%	175	3.30%
121	1.34%	153	2.88%
206	2.28%		- %
98	1.08%		- %
140	1.55%	112	2.11%
128	1.41%		- %
80	0.88%		- %
160	1.77%	150	2.83%
85	0.94%		- %
30	0.33%		- %
		215	4.05%
		95	1.79%
		85	1.60%
		84	1.58%
2,970	32.85%	2,096	39.51%
9,049 **A**		5,300 **B**	

CITY OF WHITE SETTLEMENT, TEXAS

FULLTIME EQUIVALENT CITY GOVERNMENT EMPLOYEES
BY FUNCTION/PROGRAM

LAST TEN FISCAL YEARS
(UNAUDITED)

	Fiscal Year			
	2010	**2011**	**2012**	**2013**
General government				
Administration	2.50	2.00	2.00	1.00
City secretary	1.00	1.00	1.00	1.00
Human Resources	2.00	2.00	2.00	2.00
Management information systems	2.00	2.00	2.00	2.00
Finance	3.00	3.00	4.00	4.00
Purchasing	3.00	3.00	2.00	2.00
Media	-	-	-	-
Municipal Facilities	2.00	2.00	2.00	2.00
Public safety				
Police	50.00	50.00	50.00	50.50
Municipal court & Marshall	3.00	3.00	3.00	3.00
Fire	4.00	4.00	4.00	3.00
Code compliance	7.00	6.00	6.00	6.00
Planning and development	-	-	-	-
Animal control	3.50	3.00	3.00	3.00
Public works				
Streets and drainage	7.00	5.00	5.00	7.00
Culture and recreation				
Senior services	5.00	5.00	5.00	5.00
Park maintenance and recreation	7.50	8.00	8.00	7.00
Library	7.00	7.00	7.00	7.00
EDC operations and parks	6.50	7.00	6.00	6.50
Splash Dayz	-	-	-	-
Economic development and assistance	1.00	1.00	1.00	1.00
Stormwater Utility	-	-	-	-
Utility billing	5.00	5.00	5.00	5.00
Meter Technicians	-	-	-	-
Water	7.00	7.00	7.00	7.00
Wastewater	4.00	4.00	4.00	4.00
W/S Non-departmental	-	-	-	-
Total	133.00	130.00	129.00	129.00

Fiscal Year					
2014	**2015**	**2016**	**2017**	**2018**	**2019**
1.00	1.00	4.00	4.00	3.00	2.00
1.00	1.00	1.00	1.00	1.00	1.00
2.00	2.00	1.50	1.00	1.00	1.00
2.00	2.00	3.00	3.00	2.00	2.00
4.00	5.00	5.00	5.00	4.00	4.00
2.00	2.00	2.50	1.00	1.00	1.00
-	-	-	-	-	1.00
2.00	2.00	1.00	1.00	1.00	1.00
50.50	53.00	51.50	48.00	48.00	48.00
3.00	3.00	4.00	4.00	4.00	3.00
3.00	3.00	19.50	22.25	22.25	15.50
6.00	6.00	4.00	4.00	5.00	1.00
-	-	-	-	-	3.00
3.00	3.00	3.00	3.00	3.00	3.00
7.00	7.00	5.00	4.50	4.00	4.00
5.00	5.00	4.50	4.50	4.50	2.83
7.00	7.00	8.50	8.50	8.00	8.67
7.00	7.00	6.00	6.00	6.00	6.33
6.50	6.50	4.50	-	-	-
-	-	22.50	24.00	43.25	38.95
1.00	1.00	1.00	-	-	-
-	-	-	4.00	5.00	5.34
5.00	5.00	5.50	6.00	4.00	4.00
-	-	-	-	4.00	4.00
8.00	8.00	11.00	9.00	7.00	6.00
4.00	4.00	5.00	5.00	5.00	4.00
-	-	-	3.00	3.00	3.00
130.00	133.50	173.50	171.75	189.00	173.62

CITY OF WHITE SETTLEMENT, TEXAS

OPERATING INDICATORS BY FUNCTION/PROGRAM

LAST NINE FISCAL YEARS

	Fiscal Year			
	2010	**2011**	**2012**	**2013**
Public safety				
Police department				
Calls for service	26,161	25,989	27,375	32,976
Traffic citations	2,750		3,722	4,920
Criminal offenses	1,716	1,528	1,943	1,373
Number of accidents	170	119	204	132
Persons confined	872	791	889	963
Municipal Court				
Active warrants	3,227	917	2,243	4,442
Closed warrants	1,338	1,905	3,321	3,598
Fire department				
Fire runs	513	538	460	573
Emergency runs	1,232	1,119	1,151	1,241
Code compliance				
Permits issued	1,769	1,849	2,081	2,112
Public works				
Streets and drainage				
Streets resurfaced (miles)	0.27	0.78	0.45	1.29
Public health				
Animal control - calls for service	2,035	1,953	1,710	1,558
Culture and recreation				
Senior services				
Meals served	23,047	21,740	22,366	20,840
Library				
Average daily circulation	362	312	320	310
Average patron visits per month	5,865	4,683	5,440	5,290
Parks				
Number of league participants	8,100	7,578	8,900	7,504
Water production and distribution				
Number of water connections	5,352	5,330	5,370	5,301
Average daily consumption (thousands of gallons)	1,406	1,652	1,552	1,427
Wastewater operations				
Number of wastewater connections	5,265	5,239	5,264	5,252

(1) Indicators are not available for the general government and economic development functions.

Fiscal Year					
2014	**2015**	**2016**	**2017**	**2018**	**2019**
26,328	30,134	22,901	31,796	29,499	29,006
4,157	3,928	3,620	3,483	3,579	3,682
1,420	1,279	1,430	1,234	1,148	1,377
132	115	140	161	159	188
986	850	755	754	460	519
2,214	1,468	1,962	1,874	202	214
4,434	3,909	3,335	3,165	2,795	946
479	627	705	719	135	195
1,308	1,579	1,918	1,872	2,190	2,477
2,218	2,076	2,113	2,086	1,915	2,124
0.6	0.25	0.75	3.1	1.2	0.83
1,562	1,751	1,957	2,250	2,350	1,756
16,804	19,509	19,000	22,477	20,057	20,007
358	464	489	398	386	312
4,577	4,837	5,303	5,303	4,499	6,216
5,640	5,820	7,325	3,974	3,315	3,112
5,389	5,541	5,603	5,645	5,783	5,848
1,362	1,949	1,335	1,355	1,909	2,304
5,321	5,437	5,440	5,481	5,598	5,668

CITY OF WHITE SETTLEMENT, TEXAS

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM

LAST NINE FISCAL YEARS
(UNAUDITED)

	Fiscal Year			
	2010	**2011**	**2012**	**2013**
Public safety				
Police department				
Stations	1	1	1	1
Patrol cars	11	11	15	14
Fire department				
Stations	1	1	1	1
Fire trucks	9	11	11	9
Public works				
Streets and drainage				
Streets (miles)	Approx. 68	Approx. 68	Approx. 68	Approx. 68
Culture and recreation				
Senior services				
Community centers	1	1	1	1
Library				
Volumes	73,494	70,732	67,012	63,105
Parks and recreation				
Acreage	203	203	203	203
Playgrounds	6	6	6	6
Picnic areas	22	22	22	22
Baseball/softball diamonds	7	7	7	7
Soccer/football fields	1	1	1	1
Water production and distribution				
Water mains (miles)	88	88	88	88
Storage capacity (thousands of gallons)	2,445	2,445	2,445	2,445
Wastewater operations				
Wastewater lines (miles)	70	70	70	70

(1) Indicators are not available for the general government, public health and economic development

Fiscal Year					
2014	**2015**	**2016**	**2017**	**2018**	**2019**
1	1	1	1	1	1
15	15	15	12	11	11
1	1	1	1	1	1
9	9	9	5	5	6
Approx. 68	Approx. 68	Approx. 68	Approx. 68	Approx. 72	Approx. 72
1	1	1	1	1	1
65,587	65,445	63,671	76,896	56,135	61,982
203	203	203	203	203	203
6	7	7	7	7	7
30	30	30	30	30	30
8	8	8	8	8	8
1	1	1	1	1	1
89	89	89	89	86	86
2,445	2,445	2,445	2,445	2,403	2,403
71	71	71	71	71	71